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Natural Resources Committee
February 03, 2016

[LB745 LB902]

The Committee on Natural Resources met at 1:30 p.m. on Wednesday, February 3, 2016, in Room 1525 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB745 and LB902. Senators present: Ken Schilz, Chairperson; Curt Friesen, Vice Chairperson; Dan Hughes; Jerry Johnson; Rick Kolowski; Brett Lindstrom; John McCollister; and David Schnoor. Senators absent: None.

SENATOR SCHILZ: Good afternoon, everyone, and welcome to the Natural Resources Committee hearing. My name is Ken Schilz, the Committee Chairman from Ogallala, Nebraska. I represent the 47th District. And we've got the senators here today, so we'll start to my far left with Senator McCollister. Introduce yourselves.

SENATOR McCOLLISTER: Good afternoon, John McCollister, District 20, central Omaha.

SENATOR SCHNOOR: Senator Dave Schnoor, I represent District 15 which is Dodge County.

SENATOR LINDSTROM: Brett Lindstrom, District 18, northwest Omaha.

SENATOR FRIESEN: Curt Friesen, District 34, Hamilton, Merrick, Nance, and part of Hall County.

SENATOR JOHNSON: Jerry Johnson, District 23, Saunders, Butler, and most of Colfax Counties.

SENATOR HUGHES: Dan Hughes, District 24, ten counties southwest Nebraska.

SENATOR SCHILZ: What? You're not going to...okay, very good. And also today we have Barb Koehlmoos who is our committee clerk and Laurie Lage who is our legal counsel for the committee. And we have a couple of pages. Kellie Wasikowski is here; she's a sophomore at UNL from Omaha. And Jake Kawamoto and he's also a...I think he's a junior at UNL. Today we have two bills on the agenda--LB745, Senator McCollister's bill, and LB902, Senator Kolowski's bill. And if you're planning on testifying today, please pick up a green sign-in sheet that's on the tables at the back of the room. If you do not wish to testify, but you would like your name entered into the official record as being present at the hearing, there's a form on the table that you can sign as well and this then will become part of the official record of the hearing. Please fill out the sign-in sheet before you testify. Also, print, and it's important to complete the form in its entirety. When it's your turn to testify, give the sign-in sheet to the committee clerk and this will

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help make a more accurate public record. If you do not choose to testify, you may also submit comments in writing and have them read into the official record. If you have handouts, please make sure you have 12 copies for the pages to hand to the committee. And when you come up to testify, please speak clearly into the microphone; tell us your name, spell your first and last name as well. And then please turn off your cell phones, pagers, or anything else that makes any noise. And if you have to take a call or take a conversation, please take it to the hallway, if you don't mind. We don't allow any displays of support or opposition to a bill, vocal or otherwise, so we'd appreciate it if you'd give the testifiers the respect that they deserve at the testimony table. We do use the light system here in the Natural Resources Committee. We'll go for five minutes, so you'll have four minutes on green; one minute on yellow. And then when it turns red, we would like you to wrap things up and be done so the next testifier can come up. And when you do see the red light, try to sum up what you've been talking about and stop. Otherwise, I will let you know when it's time to stop otherwise. But if you see the red light, it's time to stop. Okay, and with that I don't think there's anything else we need to discuss. Senator McCollister, you're welcome to introduce LB745.

SENATOR MCCOLLISTER: Good afternoon, Chairman Schilz, and members of the Natural Resources Committee. I am John, J-o-h-n, McCollister, M-c-C-o-l-l-i-s-t-e-r, and I represent District 20, as you heard, in Omaha. I'm here today to introduce LB745. This bill would increase some user fees and increase the caps on fee ranges the Nebraska Game and Parks Commission is authorized to charge for a variety of licenses, permits, and stamps. The Legislature's primary responsibility is to establish fee ranges with the commission may operate. The commission then adjusts the fees within these limits. The 20 sections of LB745 would amend 29 sections and subsections of the current law. It would allow the commission to adjust fees for 48 different categories of licenses, permits, and stamps it is authorized to issue. According to the most currently available data, the commission is funded primarily by user fees. In 2015, they supplied 87 percent of total commission revenues. The other 13 percent of the commission's revenues came from the state's General Fund. Successful management of the commission's operations clearly hinges on its ability to set fees and keeping with current costs of operations. Support from the Legislature in recent years has emboldened the private sector and increased its support of the Game and Parks Commission. This has created a circular pattern with both public and private partners encouraging the other. I believe it is incumbent for us to allow the commission to raise fees to allow it to maintain the investments made by the private sector. LB745 would create new fee caps to replace existing ones, nearly of all which have been in place since 2003. With the new caps in place, the commission could adjust fees that have been in effect since 2008, 2009, or 2010. This would enable the commission to keep up with increases in the cost performing its responsibility to managing hunting and fishing, and maintain and operate Nebraska's parks and outdoor recreation facilities. The activities of the Nebraska Game and Parks Commission will provide an incredible array of opportunities for our residents and visitors alike to have fun and enjoy the natural world. The commission's programs and services generate significant economic

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benefits at both the state and local levels. We're all interested in increasing tourism in our state. This goal is clearly tied to the natural resources, education, and recreation programs for which Game and Parks is responsible. The Nebraska Game and Parks Commission is a treasure in this state. People who use it pay for it. When they pay they must cover the cost of the services or the services cannot be provided. Caps that have been in place for 13 years need to increase. Fees that have been at the cap for six or eight years need to gradually increase as well. We, the Legislature, need to support the commission's work by making this happen. LB745 is our vehicle for these changes. Thank you, Mr. Chairman. [LB745]

SENATOR SCHILZ: Thank you, Senator McCollister. Any questions of Senator McCollister? Seeing none, thank you for your opening. [LB745]

SENATOR MCCOLLISTER: Thank you all. [LB745]

SENATOR SCHILZ: At this time we will take the proponents for LB745. Director, good afternoon and welcome. [LB745]

JIM DOUGLAS: (Exhibit 1) Good afternoon. Mr. Chairman and members of the Natural Resources Committee, my name is Jim Douglas, J-i-m D-o-u-g-l-a-s, and I serve as the director of the Nebraska Game and Parks Commission. I'd like to thank the committee for their consideration of this bill and certainly thank Senator McCollister for the introduction of this very important bill. I think it's a piece of legislation that is very important to all the citizens of Nebraska. The activities that the Nebraska Game and Parks Commission undertakes are fund based. But there is some distinction between the activities on the fish and wildlife side and on the park side in the following way: Game cash funds fund over 90 percent of the activities in the game cash...fish and wildlife arena. There's federal funds that reimburse some of those. But anywhere between 2 percent and 4 percent of General Funds is all that's received on the fish and wildlife side. And those are for activities we do to look at activities of other state agencies that might impact threatened and endangered species. So as Senator McCollister indicated, overall for our whole \$98 million budget of the agency, General Funds are only about 13 percent. Most of those are actually going to the park side of the equation where 28 percent of the activities in the parks are General Funds, and 72 percent are from fees. So fees are what populate the cash funds almost exclusively for the fish and wildlife side, and fees populate the park activities of nearly 80 percent. So this bill which would allow the commission to increase fees over time is critically important to funding all of our activities. As was mentioned, the increase in caps for hunting and fishing hasn't been accomplished since 2003. And as was mentioned, the commission by commission action raised incrementally no more than 6 percent a year according to current statute, those fees and reached the cap six or seven years ago. We tried to keep, for example, on the fish and wildlife side and the game cash fund a balance for about three months

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of operating, which is between \$5 million and \$6 million. Because our revenues haven't kept pace with the costs of doing business, we do not have enough revenue to maintain that three-month balance and also do all the activities that we need to do to serve the citizens of the state. We're not, in looking at potentially increasing fees over time, the commission isn't looking at increasing the overall authority for us to spend dollars by any great amount, we need some additional dollars even to spend the current authority that we have on the fishing and game side. And there's a lot of reasons that we would want to spend some money in those arenas. For example, we're looking at doing a major pheasant initiative in the state of Nebraska. Right now, we're sequestering a million dollars worth of spending under our authority limit and we could use part of that to do a major pheasant plan. We're being asked increasingly each year by natural resource districts to partner with them on some of the new reservoir systems that are going on. And we're thankful they are in the state like Lake Wanahoo, like Pigeon/Jones up by Hubbard, Nebraska; like Prairie Queen near La Vista, Nebraska. And in those cases, a lot of times, we're doing aquatic habitat in those lakes prior to them being built. And that comes from the aquatic stamp money. So all the activities that we do would be affected by the ability of the commission to raise fees over time incrementally. And it was mentioned that when we are able to serve the citizens of the state well, it actually draws other monies to the table. And it's true on both the park side and the fish and wildlife side. On the fish and wildlife side of our agency, we have a lot of partners who we partner with like Pheasants Forever in our access program for hunters. We partner with Ducks Unlimited on many habitat programs. And on the parks side, we have seen the private sector look at our agency and look towards the Legislature and say--if we're going to be able to take care of these areas, we're willing to contribute dollars. Right now as we speak, recently there's been private sector dollars that have gone into Fort Robinson State Park, Ponca State Park, also Wildcat Hills, Grand Island facilities, and many others. So currently our foundation is contributing, on average, over a million dollars a year. But most of those dollars go for infrastructure or buildings and not operations. On the park side, we need dollars that will go towards operations. For example, even the Legislature's kind appropriation for deferred maintenance mostly goes for large projects, but hasn't gone for operations like maintaining 8,000 picnic tables, 6,000 grills, 350 miles of gravel roads inside the parks, things of that nature. So this would be critically important for us to continue to serve the citizens of the state in good fashion. And I can say with a fact that we have been managing our finances in a very responsible way and doing business in a business-like fashion. Several years ago, not that many years ago, we cut our expenses for the General Fund. We were the only state agency that came forward and said we will cut our General Fund expenses and we eliminated 21 positions in the park. Now, that's not without its issues. But we did that. We do need dollars, though, to operate. And we do need...have places where we need to do more. So with that I'd answer any questions that you might have. [LB745]

SENATOR SCHILZ: Thank you, Director. Any questions? Senator Johnson. [LB745]

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SENATOR JOHNSON: Thank you, Chairman Schilz. Previously, one of the numbers you had was the ADA compliance and things that had to be done. [LB745]

JIM DOUGLAS: Yes, yes. [LB745]

SENATOR JOHNSON: Are we gaining on that or what's happening with that? [LB745]

JIM DOUGLAS: We're gaining on that, yes. We're...we put in several combination restrooms and shower facilities that are ADA accessible across the state. We've completed many ADA accessible projects on cabins in our state parks. We're currently, as part of that, for example, we were replacing some tin old cabins at Ponca State Park that weren't handicapped accessible and are also like 55 years old. And so we're in the process of contracting for those cabins. It's going on all over the state. [LB745]

SENATOR JOHNSON: Thank you. [LB745]

SENATOR SCHILZ: Thank you, Senator Johnson. Senator Hughes. [LB745]

SENATOR HUGHES: Thank you, Chairman Schilz. Thank you, Director Douglas, for coming in today. If we would vote and the Legislature would vote to give you this increase, where's the money going to go? I mean, do you have a plan or...the top of your wish list? [LB745]

JIM DOUGLAS: On the fish and game side, currently for...I'll give you some examples. Currently, you know like I said, we're not spending a million dollars worth of authority that we would like to spend, still staying in our current authority cap, and, for example, we have two conservation officer positions that we're not filling. We have 545 boat ramps that need repair. And some of those are being taken care of by some dollars that were appropriated a couple of years ago, but not all of them. We have requests from natural resource districts to partner on some new reservoirs that are being conducted. We have a pheasant plan that we would like to spend some habitat stamp dollars on. Actually, we have the opportunity. We've done a major planning effort for ring-neck pheasants in the state and we'd like to spend \$5 million a year, but we can get \$4 million of that from some federal sources, but we'd need \$1 million from other sources, not exclusively from dollars that would be raised from that. But we have a list of things that the citizens of the state want us to do. It's a pretty long list. [LB745]

SENATOR HUGHES: Okay. How many people work for Game and Parks? [LB745]

JIM DOUGLAS: About 470 full-time employees. [LB745]

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SENATOR HUGHES: And how many of those are office and how many are field? [LB745]

JIM DOUGLAS: I think we have about... [LB745]

SENATOR HUGHES: Roughly. [LB745]

JIM DOUGLAS: ...well, office is sort of...I might just ask for a little clarification, because a lot of our people that are in an office also are in the field. In other words, they have an office. [LB745]

SENATOR HUGHES: Well, if they're in the field part time, I consider them field personnel, but just an office staff versus outdoor. [LB745]

JIM DOUGLAS: I think we have about 14 percent office. [LB745]

SENATOR HUGHES: Is office, okay. You mentioned that a couple of your game wardens are not being replaced, is that just due to cutbacks? [LB745]

JIM DOUGLAS: Budget, yes. [LB745]

SENATOR HUGHES: Not finding qualified candidates? [LB745]

JIM DOUGLAS: It's due to cutbacks. [LB745]

SENATOR HUGHES: Okay. So if you have additional funds, would you expand beyond those two warden positions? [LB745]

JIM DOUGLAS: Well, we would need to go...we would need to go to the...come back to Appropriations Committee and ask for more spending authority. Within our current spending authority we could fill two more. [LB745]

SENATOR HUGHES: Okay. Thank you. [LB745]

JIM DOUGLAS: We do have some of the lowest number of conservation officers of any of our neighboring states. [LB745]

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SENATOR HUGHES: Okay. Thank you. [LB745]

SENATOR SCHILZ: Thank you, Senator Hughes. Senator Friesen. [LB745]

SENATOR FRIESEN: Thank you, Chairman Schilz. Nice to see you, Director Douglas. [LB745]

JIM DOUGLAS: Yes, good to see you. [LB745]

SENATOR FRIESEN: What kind of backlog is there still in maintenance. I mean, you did receive quite a large appropriation a couple of years ago, as I recall. I wasn't here then, but...how's that...projects all coming and are you getting caught up? [LB745]

JIM DOUGLAS: We had identified \$44 million of large deferred maintenance projects in the park system. And the Legislature appropriated \$17.5 million in a one-time appropriation. And then also additional funding was derived from some additional funding bills. For example, we're getting a portion of sales tax on ATVs and motorboats for five years. So it turned out to be about a \$30 million package altogether which would still leave some additional work that needed to be done. But we're doing very well on accomplishing...going down that list and accomplishing the things that we had on that list. Part of that too, we did some other things, for example, at that point in time like at Arbor Lodge where we took a portion of that money and fixed up Arbor Lodge and then made an agreement with the Arbor Day Foundation for them to take over management. And that saves us \$250,000 a year, so we can put that money toward some of these other projects. We've done some other things that would allow us to use some dollars to work on that backlog. [LB745]

SENATOR FRIESEN: Have you ever looked into...at what point do people think it's too much? Have you done surveys? Do people want more services? Are they asking for more? Or what...parks filled up constantly? [LB745]

JIM DOUGLAS: People want more services and parks are filled up constantly. I mean, we affect a lot of people through the park system in Nebraska. It's a...it has a \$750 million economic impact, our park system does. Of the top ten tourist attractions in the state of Nebraska, over half of them are state parks or recreation areas. We have like 23 million visits to our park system in a year. So it's highly popular, highly desired by the populous and highly impactful in the economy. One thing people forget sometimes too is in those parks that have either lodging or RV camping, we pay a lodging tax just like other types of industry does that has lodging, goes back into the local county and community for projects. [LB745]

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SENATOR FRIESEN: Just talking to some of the campers, I mean, your reservation system for campgrounds is in need of renovation. Is that on your list of things that you want to do?
[LB745]

JIM DOUGLAS: Yes. We have...our reservation system is through a private vendor and we're looking at that and trying to make improvement. [LB745]

SENATOR FRIESEN: Okay. Thank you. [LB745]

SENATOR SCHILZ: Thank you, Senator Friesen. Any other questions? Senator Schnoor.
[LB745]

SENATOR SCHNOOR: Kind of to continue what Senator Friesen was saying, what about those parks that are currently being...not being maintained, specifically Dead Timber up in my district?
[LB745]

JIM DOUGLAS: Dead Timber provides a really tough challenge in a couple of ways. One is, of course that it is a frequently flooded area and, you know, the large flood that occurred, I think, about five years ago or so really wiped that area out. Also, the cutbacks in personnel that I talked about in the park division, at one point in time, we had a person and an assistant who had that area and only a couple of others to service and now we don't have those people. So we've been looking for, perhaps, a local vendor that we could contract with to do more work at Dead Timber because we do understand that people...there's a lot of local people that depend on that park and love that park and we would like to get it back in shape. [LB745]

SENATOR SCHNOOR: But is this...so this additional revenue, is that something...will that help you be able to accomplish that? [LB745]

JIM DOUGLAS: Yes. Yes, it would. [LB745]

SENATOR SCHNOOR: So is this...and I think this kind of maybe goes in line with Senator Hughes, this additional revenue, this is just going for services and maintenance and increasing that for our citizens? [LB745]

JIM DOUGLAS: Right. Yeah. On the park side, if the park permit was raised \$5, that would bring in an extra \$1 million a year. And that would be for operations, not for capital development. [LB745]

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SENATOR SCHNOOR: What...and I don't know if Senator McCollister said this, but if you were to increase all of these to these new caps, what would the increase of revenue be for Game and Parks? [LB745]

JIM DOUGLAS: It would be about \$4.9 million all together. There would be about \$1 million of that that would go into the park operations. There would be \$800,000 that would go into the habitat management sector. It could be used for things like the pheasant plan we're talking about and other projects. There would be about \$2 million in game cash which could go for those other priorities that I mentioned. [LB745]

SENATOR SCHNOOR: Okay. My last question, not...doesn't really have to do with any of the changes in this, but it talks about controlled shooting areas; can you describe what a controlled shooting area is? I think I understand it, but I would...I just want to hear... [LB745]

JIM DOUGLAS: It's another name that people commonly use is shooting preserve. But it's an area where there's an extended season for...usually it's bird hunting in Nebraska. And it's an extended season because of the fact that they have to stock a great number of birds on the area and then because of that they get to hunt longer. There's actually a provision in this bill that would extend that season by two weeks. And that's at the request of the controlled shooting area industry who have been asking us for that. [LB745]

SENATOR SCHNOOR: So this fee, is that for that person or that business, that's their permit fee for that controlled shooting area? Is that what that is? [LB745]

JIM DOUGLAS: Yeah, there's a small permit fee for them. But there's also a permit that hunters that hunt on a shooting preserve can buy that's...they can get just for hunting on that shooting preserve. [LB745]

SENATOR SCHNOOR: Okay. [LB745]

JIM DOUGLAS: So, I don't know which one you're asking about. [LB745]

SENATOR SCHNOOR: And then my last question was falconry, is that...you know, you don't...I guess you hear about it, but is that actually a lot...does a lot of that happen in Nebraska? [LB745]

JIM DOUGLAS: Well, there's some really avid falconers in Nebraska. And as a matter of fact, Nebraska is a very popular spot for falconers from across the nation to come to because we have

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places where there's wide open space and a lot of grassland like in the Sandhills and they can hunt prairie grouse and waterfowl and so on. We have special provisions for them. They have special regulations. There was a national convention here just about three years ago, a sponsor out of Kearney. So hundreds, you know, near a thousand people came for that. [LB745]

SENATOR SCHNOOR: Okay, thank you. [LB745]

SENATOR SCHILZ: Thank you, Senator Schnoor. Any other questions for Director Douglas? Seeing none, thank you for your testimony. [LB745]

JIM DOUGLAS: Thank you. [LB745]

SENATOR SCHILZ: Good afternoon. [LB745]

REX FISHER: Good afternoon, Mr. Chairman and senators. Thank you, Chairman Schilz and members of the committee. My name is Rex R-e-x, Fisher, F-i-s-h-e-r. I'm the at-large commissioner on the board of Nebraska Game and Parks. My home is in Omaha, but I get to claim the entire state as my district as the at large. For the last five years, I've been a senior vice president with HDR, an Omaha-based global engineering and architecture firm. Before that I was a Nebraska state president for U.S. West and Qwest Communications from '97 to 2000 and 2003 to 2012. Being the at-large commissioner, I've become even more familiar with all the different ways the activities we manage are important to families all across the state: fishing, hunting, conservation, parks, camping, boating, hiking, bird watching, shooting, outdoor education, trails, hiking, the list goes on. And we recently did a comprehensive survey and the number one area that people wanted more of was trails and camping was close behind. And trails is something that cuts across every age group and demographic that you can think of. All those activities we manage are important to our citizens and add to the quality of life and the people, including every commissioner, I can tell you, care deeply about them. For me, one of my favorite areas is our urban lakes and the family fishing programs we've expanded over the last five years. As a kid growing up in Omaha, I caught a lot of carp and blue...or bullheads in Benson Park Lagoon. And I'm really proud of what we're doing to expand that area, and we're going to do a lot more. The economic impacts of hunting, fishing, wildlife viewing, and the state parks in Nebraska is also important. These activities have a combined annual economic impact of \$2.4 billion for our state. In my six years serving as a commissioner, I've been involved with our review of finances of the commission. I'm proud of the Nebraska Game and Parks Commission's stewardship of those financial resources. We recognize the importance of managing the funds entrusted to us, especially with our dependence on the majority of our support coming from user fees. As a whole, only 13 percent of our agency budget comes from General Funds allocated by the Legislature. The largest portion of those General Funds are used in parks. Hardly any

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General Funds are used in our management of fish and wildlife resources. As our reliance on the General Funds has declined over the past 30 years, we've controlled the increase in permits and fees. The Legislature has been there, though, for us for the state and for the Game and Parks when situations like deferred maintenance needed to be addressed. And I can tell you that if you really look at the philanthropy part of what we have in this state, it's amazing the money people have put in. Every time a big project came up, whether it's Ponca, Mahoney State Park, and now what we're trying to do with venture parks, they've been there. And I can tell you, the people I know were impressed by how the Legislature stepped up in deferred maintenance so they know their investment will be well protected. The agency will likely always have some reliance on General Funds. For example, we've been entrusted with the historical treasures in our state's historical parks. Those are important for our state so people can visit and enjoy them, but aren't likely to generate high visitation and other user fees that can allow them to be self-supported. We have responsibilities to complete environmental reviews of projects that require a state permit. We complete over a thousand of those every year. As a percentage of the total agency budget, we continue to have a decline in the amount of our budget provided by General Funds. We accept and understand the pull on those funds and we're not here asking for more today. I want to thank Senator McCollister for bringing this bill forward. What it asks the Legislature to do is give us the ability to raise user fees and permits. It's been clear to us that the Legislature wants us to continue forward and maintain our reliance on a user-pay system. The last time fees were raised for most permits was in 2008. Of the surrounding eight states, only Missouri has lower fees for hunting and fishing permits. However, Missouri has dedicated sales tax funds that go to the Missouri Department of Conservation for managing fish and game. If the Legislature raises the caps, it will not automatically raise permit fees that would allow the commission to do so. This means we will do so by changing regulations at a public meeting, with a hearing to listen to public testimony prior to any board action on any increase. I can tell you that our board will not take raising fees lightly. Every commissioner has either run their own company or owned their own company or run a large company. We understand the importance of maintaining fiscal restraints and being good stewardship of the public funds that have been entrusted to us. Thank you, Mr. Chairman. [LB745]

SENATOR SCHILZ: Thank you, Mr. Fisher. Any questions? Senator Friesen. [LB745]

SENATOR FRIESEN: Thank you, Chairman Schilz. Thank you, Mr. Fisher. Just a, I guess, a question a little bit of past history. I mean, of boards I've been on, sometimes we like to start new programs and we forget about the maintenance issues and we don't look ahead far enough and so consequently we delay maintenance and then we suddenly need more money. [LB745]

REX FISHER: Right. [LB745]

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SENATOR FRIESEN: So, does Game and Parks when they start a new program, do they look ahead and look at the maintenance requirements and adjust for that? Is that part of the decision when you start a new program or start a new park project? [LB745]

REX FISHER: Yeah, absolutely. And I can tell you with this group of commissioners, whenever someone leaves land to us or wants to leave land or we want to expand somewhere, the very first question that comes from the commissioners, and usually two or three of us ask it, is how will we maintain that? Will it require more budget? Will it require more personnel? And in many cases, it can be done with the people that we have. So we're very sensitive to that in terms of making sure we're not taking on more property than we can handle and how we're going to do that. So that's a pretty lengthy discussion every time a new piece of ground is considered to be added to the state Game and Parks. [LB745]

SENATOR FRIESEN: Okay. Thank you. [LB745]

SENATOR SCHILZ: Thank you, Senator Friesen. Any other questions? Seeing none, thank you for your testimony, appreciate it. [LB745]

REX FISHER: Thank you. [LB745]

SENATOR SCHILZ: (Exhibit 2) Further proponents? Proponents? We have one letter of support from Jessica Umberger from the Wachiska Audubon Society. We'll move now to opponents. Oh, proponents? Oh, well, let's go. Come up. Don't be afraid. Sorry about that. Good afternoon. [LB745]

JOHN MUELLER: Good afternoon. My name is John Mueller, J-o-h-n M-u-e-l-l-e-r. I reside in Louisville, Nebraska, the garden part of our state for Game and Parks. And I'm lucky to have Louisville State Recreation Area. We have Mahoney State Park; we have the Platte River State Recreation Area...or Platte River State Park and then Schramm Park all within 15 minutes of Louisville. And being a former mayor of Louisville and being employed at the local bank, I can tell you the positive impacts that the Game and Parks has on our area economically. It provides jobs for young children, retired folks also have the ability to work there on a seasonal. So besides the jobs they're talking about full time, there are seasonable jobs that are created by these activities also. We've got an aging infrastructure across the nation. We've made the necessary changes to fix some of the problems in the Game and Parks, but I'm here as a proponent of this bill. They say it's needed to keep these things going. And as I see the activities that take place that are family oriented, positive impacts for families' children that these parks provide, it's important that we look at these funding mechanisms to keep these activities going. It seems like we lose them, that we all have our cell phones and have to look at those and the games. This acts

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as a physical activity, positive activities for our families in the state of Nebraska. As we talk about increases in prices or costs, we also have to compare that we have cheaper gas now, we're in a race against other states. In my area, Iowa, Kansas, Missouri, all are trying to attract these recreational vehicles and park goers and so the adventure park that's going to go in our area is going to be a huge impact which will trickle down to the local economics providing jobs again, keeping our store fronts active and open and a huge impact. We think about people that spend \$3 or \$4 for a cup of coffee every day, \$1 for a bottle of water, we're looking at 8 cents a day for a park permit. The enjoyment that can be taken by the families is incredible, the activities that we have. The other thing is, as the commissioner talked about, the commissioners really look at this. They just don't jump into these things to increase fees. They study it, they look at it, so we have great stewards there. So you're not just turning the keys loose to somebody that's just going to spend money. They're going to review this, make proper decisions, and I entrust my allegiance with them that they'll make those right decisions. So I thank you for your time today. And I thank Senator McCollister for introducing the bill and appreciate the time. Thank you. [LB745]

SENATOR SCHILZ: Thank you, Mr. Mueller. Any questions? Seeing none, thank you for your testimony, appreciate it. Good afternoon. [LB745]

ANDY POLLOCK: Good afternoon, Chairman Schilz, and members of the Natural Resources Committee. My name is Andy Pollock, A-n-d-y, Pollock is P-o-l-l-o-c-k, and I'm appearing before you today as a registered lobbyist for the Nebraska Travel Association. That's a group of for-profit and non-profit businesses from across the state; includes hotels, motels, tourist attractions, and convention and visitor bureaus. And we're here in strong support of LB745. And we thank Senator McCollister for bringing it. I think it probably goes without saying, but I'll say it anyway that the state parks and the state recreation areas are critical to the tourism industry in the state. They are an important part of making that industry the third largest industry in the state for families. For people both within the state and out of the state, they are an attraction that is critical. And I point out that that has ripple effects; it's not just a matter of people visiting these state parks and recreation areas. But like the mayor of Louisville just said, or the former mayor, it ripples through communities. And that's not just grocery stores and hotels, that's outfitters which typically in at least in this state are mom and pop operations. So it's an important economic driver for our state. With that I'd urge your support of this bill or your advancement of this bill. And I'd be glad to answer questions. [LB745]

SENATOR SCHILZ: Thank you, Mr. Pollock. Any questions? Seeing none, thank you for your testimony. [LB745]

ANDY POLLOCK: Thank you. [LB745]

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SENATOR SCHILZ: Good afternoon. [LB745]

SCOTT SMATHERS: Good afternoon, Chairman Schilz, members of the Natural Resources Committee. My name is Scott Smathers, S-c-o-t-t S-m-a-t-h-e-r-s, and I am the executive director of the Nebraska Sportsmen Foundation. We're here today to urge the Natural Resources Commission (sic) to move to the floor LB745. And on behalf of our, just under 3,000 individual members, and another 9,000 affiliated partnership memberships, I know it seems strange that who I represent is traditional hook and bullet crowd, that we'd be here testifying in favor of raising our fees because, obviously, we're supporters of the North American Model of (Wildlife) Conservation and user fee pay. However, what we're looking at and what you've already heard in testimony prior is the Nebraska Game and Parks, the natural resource districts, are working hard to provide opportunities for us, the end user, and the one ultimately responsible for paying. When I took a look at this bill four months ago or so when it was first proposed to me and working with the Game and Parks, I studied Iowa, South Dakota, and Kansas, our surrounding neighbors. Typically, our own membership within this state will make those short journeys to those states to participate in their activities. If and when the Game and Parks is approved the cap and moves the fees on a regular basis, even if it's at 10 percent a year, I took a look at my park entrance permit, my hunting license, my fishing license--individual as opposed to combos, my big game permit for deer, and my turkey permits--both fall and spring, the total increase at 10 percent would be a whopping \$13.50 to me. My wife spends more than that in five minutes. Thirteen dollars and fifty cents--I am all in favor of the Game and Parks having an opportunity to increase public access through their open fields and water program, increasing the ADA requirements for boat docks and boat dock repairs which, obviously, our angling community uses on a tremendous basis. We are in strong favor of outdoor education and outreach programs that the Game and Parks is actively involved in and being able to move that number. You've heard the numbers of the increase in where the Game and Parks would look at putting that. Our members are strongly behind this bill. We look forward to the opportunity to answer any questions from the senators and we hope that you move it to the floor. Thank you very much. [LB745]

SENATOR SCHILZ: Thank you, Mr. Smathers. Any questions? No questions, thank you for your testimony. Mr. Sheets, good afternoon. [LB745]

WES SHEETS: (Exhibit 3) Good afternoon, Senator Schilz, members of the committee. My name is Wes Sheets, spelled W-e-s S-h-e-e-t-s. And I'm here to come before you to represent the Nebraska Division of the Izaak Walton League. As you may know, we're a group of chapters across Nebraska. There are 17 chapters from Imperial up to Wayne and back here, of course, to Lincoln made up mostly of sportsmen, hunters, and fishermen and the like. I'm going to be very brief, and that Mr. Smathers indicated most of what I would probably have to say. But I want to admit to you that I'm a retired fellow that spent a career working for the Game and Parks

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Commission. In my last few years, I was a deputy director and quite involved in the budgeting process and trying to find out ways to match the income with potential budget expenditures. So I'm fairly familiar with the difficult task that Director Douglas and Commissioner Fisher have in making appropriate judgements in that regard. Funding Game and Parks activities is certainly a two-pronged project in that the commission must identify user fees and collect user fees for most of its budget. As you heard, most of the game and fish activities operate totally with licenses and, of course, the federal aid and other associated partnerships that can provide money to get the job done. But it also requires the appropriation, of course, by your body, the Legislature, so in this case you have a double handle on how the Game and Parks operates. So I'm quite certain that even if fees were increased, the appropriations process would maintain the appropriate judgement to utilize those monies. Stewardship of the wildlife resource, which I'm most familiar with, is certainly a two-pronged and a very difficult task. It's often burdened with the need to know all the science and all the other important information to make judgements on how we hunt and how we fish and how we utilize that renewable natural resource in this state. I just want to come before you to verify that our members of the Izaak Walton League unanimously supported this legislation at our recent state-wide directors meeting which was just held a week ago. And we would urge that you support this legislation, move it out of committee, and support its passage in the body. We might ask that you really consider giving it some priority to make sure that it does happen, because the need is there. Sportsmen are very much in support of paying their fair share and paying their bill to take care of our resources. So with that I would entertain any questions, but urge you to support this legislation. [LB745]

SENATOR SCHILZ: Thank you, Mr. Sheets. Any questions? Seeing none, thank you. Good afternoon. [LB745]

JERRY McDONALD: Good afternoon. My name is Jerry McDonald, J-e-r-r-y M-c-D-o-n-a-l-d. And thank you, Senator Schilz, I appreciate the opportunity to talk in front of this committee. And thank you, senators, I really appreciate it. I am with the organization of Pheasants Forever. Pheasants Forever has been around for about 30 years; started up in Minnesota. I'm here representing Pheasants Forever Nebraska. I'm the eastern Nebraska representatives of Pheasants Forever. Pheasants Forever has close to 11,000 members in Nebraska. Most of those members are a banquet membership. We ask the head of a household when they come to a banquet to become a member. We don't ask the spouse or children to become members at the Pheasants Forever banquet. So it's closer to around 20,000 people that are really actively involved in Pheasants Forever Nebraska. We have 64 chapters. Each chapter, as you went around and listened to which area you represent, we have a chapter in each one of your areas. And falconry, they actually had a falcon guy at the Douglas County West banquet and he was selling an opportunity to go out with him and do falconry and it ran into the hundreds of dollars. So it is very exciting, falconry. But that's who Pheasants Forever is. And Pheasants Forever Nebraska really looks at the North American Model of Wildlife Conservation. It's really the envy of the

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world. And at the center of the system is sportsmen, sportswomen, and they support the license fees and the federal excise taxes that are put on ammunition, firearms, and other hunting items. These people really fund the professional management of wildlife resources. And Pheasants Forever is happy to say that we are an excellent partner with the Nebraska Game and Parks Commission; they're one of our best partnerships that we have. And Nebraska Game and Parks actually partners with other conservation groups. But Pheasants Forever partners with Nebraska Game and Parks because we're the most effective when we leverage our funds together to make the best impact for wildlife. All 64 chapters donate to a fund that goes into a chapter habitat fund that helps fund some Nebraska Game and Parks programs. Here is a few of the programs that Pheasants Forever and Game and Parks are in partnership with are: Farm Bill Wildlife Biologist program. There's 12 biologists in Nebraska that is a partnership with Nebraska Pheasants Forever and Nebraska Game and Parks Commission. These biologists are all throughout the state. They work with landowners one on one to develop a habitat plan for that landowner. They're a one-stop shop for that landowner to go to the USDA office, the FSA office, the extension office. These biologists are trained in fishery and wildlife with a four-year degree. And really makes it easy for the landowner to get their land enrolled in habitat. Another partnership we do with the Nebraska Game and Parks Commission is the Habitat Share program. The wildlife management areas throughout the state needed some upgrades, so Pheasants Forever put in some money with the Game and Parks. They leverage and parlay that fund so that they can improve habitat on all the wildlife management areas in the state, and that's public access that hunters and fishermen, campers, bikers, hikers, all of them can go to. You heard the Open Fields and Water from Mr. Douglas and Mr. Smathers today. That's a great partnership with Pheasants Forever and Nebraska Game and Parks Commission. Open Fields and Waters incentivizes landowners to enroll their land for public access up to \$10 per acre. We have close to 280,000 acres enrolled in that program which is a great program and if we had more funds, we could probably enroll more money to Open Fields and Water. One of the highlights is the youth mentor hunts program, and that's a great partnership with Nebraska Game and Parks. The youth mentor hunts, each chapter holds a youth mentor hunt and I think we had 62 youth mentor hunts in 2015. What we try to do is target children that have had their hunter education certificate through Nebraska Game and Parks, target the kids that don't come from a hunting heritage and actually have an opportunity to go out and hunt. That's a great partnership that we have. There's a lot of interest in these programs from the landowners to the public. Our partnership improves our ability to fund wildlife conservation. You know, additional funds for permit fees and habitat stamps will allow us to really up our game on wildlife management. Wildlife conservation does more than just hunting species. It's bees, butterflies, pheasants, quail, song birds, you name it. Mr. Douglas mentioned, though, a pheasant plan for Nebraska and Pheasants Forever is excited about that plan. We're ready to put in some money and partnership with them on this pheasant plan. More wildlife, more public access, and do more with landowners, and it will help the hunters and the public et al. And finally, with my yellow light on, I think we all recognize that this is the time for the Legislature to increase the caps on fees. It's been 13 years since fee caps on hunting and

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fishing permits. It's been seven years since fees on hunting...habitat stamps were increased. PF is confident that the commissioners will listen to sportsmen. If they increase the permit fees, will do so in a responsible manner. Lastly, I'll leave you with this thought--Nebraska Game and Parks, in my opinion, gets more conservation done with the fewest amount of dollars and people relative to any other state across the country. While they are small, they lead. They listen, they get things done, they do that by working with the conservation partners. Thank you very much for your time. [LB745]

SENATOR SCHILZ: Thank you, sir. Any questions? Seeing none, thank you. Mr. Hovorka. [LB745]

DUANE HOVORKA: Good afternoon, Mr. Chairman, members of the committee. My name is Duane, D-u-a-n-e, Hovorka, H-o-v-o-r-k-a. I'm executive director of the Nebraska Wildlife Federation and here to testify on behalf of that organization. Thanks to Senator McCollister for introducing the bill. We are...our organization is a group of people statewide who hunt, fish, hike, bike, canoe, kayak, camp, and generally love the outdoors. Not all of our members hunt and fish, but many of them do. Not all of our members use Nebraska state parks, but I'd gather to say a lot of them do. But they all recognize the vital role that the Nebraska Game and Parks Commission plays in providing a world class state park and recreation system, along with habitat for fish and wildlife across our state. What you may not know is that in Nebraska, less than 2 percent of our land base is actually publicly owned land. That's all the national forest and grasslands, all the state parks and recreation areas and wildlife management areas, and all the local areas, that's one of the lowest in the country. So it's really vitally important that with so little public land in our state, what we have is well managed for fish and wildlife habitat. And the Nebraska Game and Parks Commission does a great job of that. They also do a good job with our private lands work. And, obviously, with so much private land in our state, it's really important that we provide a place for fish and wildlife on those farms and ranches wherever we can. So those are two important areas that are funded largely with these kinds of fees that we see on state parks and on the hunting and fishing revenues. It's been more than a decade since the caps were raised, so we think it is time to raise those caps. The Commission has proven very cautious and conservative about raising the fees. And I have no doubt that they'll listen closely to the people who pay the fees, they always do when it gets time to actually raise some fees. But we think it is time to give them that flexibility to adjust the fees. And so we're here in support of that bill. And thank you for your time. [LB745]

SENATOR SCHILZ: Thank you, Mr. Hovorka. Any questions? Seeing none, thank you for your testimony, appreciate it. Good afternoon. [LB745]

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GARY STEVENS: Good afternoon. My name is Gary Stevens, G-a-r-y S-t-e-v-e-n-s. I represent no group. I have no great numbers. I have no followers. I'm a lifetime citizen of Nebraska. I own every hunting and fishing lifetime permit they own, that I can own. Family has fished and hunted or camped numerous places; grandfather 50-some years ago. We've evolved from carrying our 10-foot Jon boat across muddy waters and into lakes to boat ramps and boat docks that are ADA accessible; grandfather friendly today where they weren't 50 years ago. And the question came up earlier is, you know, what do the people think that have to pay these fees? Well, I am one of those people that pay those fees. And in the state of Nebraska, it's a pretty special deal because when you're using our state lands, it doesn't matter if you're just for a hike, you don't have to have an RV or anything. A \$50 tent or a half-million-dollar motor home don't matter, every one of us citizens gets to enjoy our outdoor parks and recreation areas. I don't have to have million-dollar friends buying more cabins or wherever to enjoy my day at the park. You can take your family and have picnics or walks or...and I just want to tell you that I do at this point understand that the maintenance of these things do cost money. And so consequently, there are parks that have brought us a long ways in my lifetime to nice facilities. And I know that if you do fall behind in maintenance of whatever you own, your own cars, your own homes, your own anything, that it's hard to catch up from that. And I just hope that our parks are able to keep up with that kind of maintenances so that my grand kids and some other 8-year-old boy and his grandpa don't have to lug a Jon boat through mud at Kramer...Olive Creek Lake. You have a nice facility. So thank you for hearing and appreciate the opportunity to voice my opinion. [LB745]

SENATOR SCHILZ: Thank you, Mr. Stevens. Any questions for Mr. Stevens? Seeing none, thank you very much for your testimony, really appreciate it. Have a good day. [LB745]

GARY STEVENS: Thank you. [LB745]

SENATOR SCHILZ: Good afternoon. [LB745]

MARIAN LANGAN: Good afternoon. Thank you, Senator Schilz, and members of the committee for hearing our testimony today. My name is Marian Langan, M-a-r-i-a-n, Langan is L-a-n-g-a-n. I'm the executive director of Audubon Nebraska. I'm here today in support of LB745. And my support is derived from experience with the Nebraska Game and Parks Commission that doesn't really get to be seen in the public very often. Many people interface with our Game and Parks Commission through their time at state parks or they're getting hunting permits. But there's a whole other body of work that goes on in their provision of conservation leadership for Nebraska that's extremely important. I just want to say one example of that would be Nebraska's mandated conservation plan. The federal government requires us to do those plans in order for the state to get their part of the national funding. States were given a lot of leeway on how they wanted to approach that planning process. Nebraska Game and Parks Commission did

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an amazing thing. They pulled together a partnership team to guide the development of that plan and they include partners like Audubon Nebraska, other groups that work, you know, thought of...work typically on environmental issues. They brought on commodity groups, the Nebraska Farm Bureau, the Corn Growers Association. They involved the Ponca tribe. Over 20 groups got to be involved in that process so that a wide range of voices of Nebraskans that are involved in our natural resources in a whole wide range of ways got to have that...you know, got to be part of it...got to have their voices heard. And that model was not done in most states. And Nebraska's model has been held up nationally as a successful way to do that. So I thank the commission for allowing all these groups to be involved. But besides it setting a great plan in place for Nebraska, it created, you know, in its very fiber the idea of partnerships. And Nebraska is an amazing place to do partnership work. I think it's embedded in our culture. But having our state's conservation plan be structured that way has created all kinds of opportunities for partnerships which have a lot of positive outcomes. But one of those is the leveraging of private dollars. And one example for us as Audubon, and we own Rowe Sanctuary and Ian Nicholson Audubon Center out in central Nebraska where we manage Platte River Habitat for the crane migration...well, for other species too, but it's mostly known for the crane migration. But we do major projects that include the Nebraska Game and Parks Commission, Ducks Unlimited, a wide range of group to do these large wetland restoration projects. But they also include a big number of private philanthropists. So we're able to take private funds and make incredible things happen that then benefit all of Nebraska. We don't have to rely on tax money for everything. Audubon's work is focused on birds. And while that doesn't...there are game species that are birds, we typically don't focus on game species because they're being looked at and managed. Unless we happen to be in disagreement with something, that's not where we're focusing. We focus on the native species that need help. And we also focus on keeping common birds common so that, you know, problems don't arise. The scientific staff at the Game and Parks Commission are leaders in assessing the status of lots of different kinds of species in our state, in addition to the birds. So lots of people look to them for that leadership. And then they help coordinate through that state conservation plan so that we can get the biggest bang for our buck by working together towards the same goals for Nebraska rather than everybody doing a little thing and then not getting stuff done. A lot of...even for those game species though, those wood habitat restoration projects affect positively a huge number of species that go way beyond whatever happens to be hunted. A prairie restoration is going to provide habitat for grasshopper sparrows and upland sandpipers and whole wide array of birds that need it, but aren't being hunted on that property. And then I won't go into it, but as several people mentioned, the eco-tourism possibilities that come from that. You know, Audubon was one of the first people to...or first organizations to draw attention to that crane migration. And university studies show multimillion dollar annual impact on the economy in central Nebraska from the development of that crane tourism. So that's another very wonderful thing that Game and Parks does. So I'll end by saying this small raise in fees is reasonable and necessary to allow Game and Parks Commission to continue their leadership for the game species, so our tradition of game hunting can continue, but also for all the species in

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Nebraska that are part of our legacy for future generations. So thank you and I'm happy to answer any questions. [LB745]

SENATOR FRIESEN: Thank you, Ms. Langan. Any questions from the committee? [LB745]

MARIAN LANGAN: Thank you. [LB745]

SENATOR FRIESEN: Seeing none, thank you for your testimony. Other proponents? Welcome. [LB745]

STEVE WILSON: Good afternoon, Senators. My name is Steve Wilson, S-t-e-v-e W-i-l-s-o-n. I'm the senior regional director for Ducks Unlimited here in the state of Nebraska. I'm here to give Ducks Unlimited support to LB745. Ducks Unlimited conserves, restores, and manages wetlands and associated habitats for North America's waterfowl. As our expertise is limited to wetlands and waterfowl, we're similarly focused on the provisions related to the migratory waterfowl stamp in LB745 which is Section 9(d). In Nebraska, Ducks Unlimited has over 13,000 members. We've conserved over 66,000 acres of habitat, and spent over \$30 million in the state of Nebraska on projects to date. This work is important when considering almost 25 percent of North America's waterfowl travel through Nebraska on the spring and fall migration. Ducks Unlimited supports the North American Model of Wildlife Conservation. User pay is very important and is very traditional in Nebraska and across North America. As it specifically relates to Section 9(d) of the bill, setting a new minimum fee of \$10 for the waterfowl stamp and continuing the current price cap for \$16, the current fee for migratory waterfowl stamp in Nebraska is \$5. Compared to other states, the new price window will put us more in line with our neighboring states. Due to our outstanding partnership with the Nebraska Game and Parks and funds that are available from the state migratory waterfowl stamp, we've been able to bring almost \$10 million to Nebraska for wetland construction and protection via the U.S. Fish and Wildlife Service and North America Wetlands Conservation Act grants. And these grants require a non-federal match and the funds from the state migratory waterfowl stamp in conjunction with private dollars from Ducks Unlimited have helped make these grants to Nebraska possible. As our partner in conservation, we believe that Nebraska Game and Parks is a good steward of the resources that are entrusted to them by Nebraska hunters, anglers, and other outdoors men and women. Our organization trusts that they will use these resources efficiently and will help them meet the needs of the Nebraska outdoor public. With that I'll take any questions you may have. [LB745]

SENATOR FRIESEN: Thank you, Mr. Wilson. Any questions from the committee? [LB745]

STEVE WILSON: Thank you. [LB745]

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SENATOR FRIESEN: Seeing none, thank you. Any other proponents wish to testify? Seeing none, are there any opponents who wish to testify? Seeing none, anyone wish to testify in a neutral capacity? Welcome. [LB745]

SENATOR CHAMBERS: Vice Chairman Friesen, members of the committee, I'm Ernie Chambers. I represent the 11th Legislative District. And for at least one person who I know is in the military, this is in the nature of a reconnoitering mission. Some people hear the term recon, that's the full name of it. I want to first of all get a good look at the killers who wiped out a bill that I had and will probably do it again. And I looked at this bill because it amends the sections of statute which surround the one provision of statute that my bill, which you all are going to kill, deals with. So I don't believe in attacking from ambush. There's a difference between ambush and surprise. But I don't even want anybody to be surprised. I'm testifying in a neutral position because nobody can say with certitude what tomorrow might bring. That was demonstrated last session with reference to the death penalty. So because people have gone down a certain path for what may appear to be a long time, that does not necessarily mean always when they are on that path they will go the same direction. So I am, at this point, not only in a position that some may say neutral. As was pointed out by somebody who thinks he's pretty smart, I'm actually in the process of directing some money toward Game and Parks. I don't have anything against Game and Parks as such. But I am on the Exec Board and whenever they're going to get some land given to them, especially when the Legislature is not in session, they have to come through the Exec Board. And contrary to what was represented here, I do not believe that there is adequate attention given to maintenance. It's one thing to say that there are a lot of questions asked, that there's a lot of discussion. That does not always translate into the ability to turn down land which cannot be adequately maintained. And when the ones who are doing this wonderful work constantly come back for money for the same purpose, it casts a degree of doubt in the mind of somebody like me when they say that they can adequately maintain the free land that is given to them. Not only is it wise, I'm told, to not look a gift horse in the mouth, I've also been told that it's difficult to turn down gifts of land. So I'm not going to take a long time here today. I just want to point out that I'm very serious about trying to protect mountain lions. There are so few in this state that the response from other states and people around the world is one of incredulity and how simple minded Nebraska must be to try to destroy these few, what I consider regal, animals. When you have a food chain and you have an alpha or dominant predator and that predator is removed or substantially weakened, it has reverberations throughout the ecology. Nebraska didn't have mountain lions in this place for decades and decades. Studies have been undertaken and whenever Europeans went to any place in the world, they desecrated the land; they exhausted it. They tore down trees. Nebraska wasn't always like a veritable dessert as it is now. They disrupt the wildlife, the ecology. There are pictures which I think would cause anybody to believe that shameful work was done because these pictures comprise literal mountains of skulls of buffalo with men standing on top of them that they had helped slaughter for the sheer love of killing. I can't stop people from slaughtering these animals. But I'm going to

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do what I can to get the state out of that. People in this Legislature can read where an injured mountain lion lying next to a building had not bothered anybody, was not bothering anybody, and the police came with pistols and shotguns. And in a fusillade, these brave men in blue hit that injured animal with at least 22 projectiles. That doesn't bother people here. But it bothers me. And I have an obligation and I intend to discharge it to the extent that I can. So I have now a bill with a number that I'm going to pay close attention to. And I promise, I promise that I am going to obtain some redress for those mountain lions that have been slaughtered, I say butchered, during the one hunting season they had. When you allow hunters to use these dogs, that's one of the least sportsman-like things to do when you're tracking or hunting these animals. They're shy; they're retiring. They don't want to be seen by human beings. They don't want anything to do with human beings. And when you allow these dogs to be used and the animal is treed, behaving in the way that nature taught it, and then somebody can sit there and position a rifle on a branch of a tree and shoot that animal, to me that's slaughter. I'm the only one, apparently, who feels that way. But it's not so, not just me, we had 28 senators who took that position. It may not happen with that many again. But I intend to do what I can. And I just want to let the committee members know that when you send Senator McCollister's bill out, you're giving me a vehicle for what I intend to do. But that won't be my only vehicle. I'm not saying this to start a problem. I'd like not to have one. I would like people to see the wisdom of what I'm offering. Right now Game and Parks supposedly is in a research project that might take four years. Then give me my mountain lions for four years, because they're not going to have any hunting seasons during that time. And I don't think it has anything to do with this research. There are so few animals. And they have a pretty good idea of where they are. But it's an unwillingness to acknowledge that I'm going to stop these hunts by any means necessary. So rather than do the manly, appropriate thing by abolishing these hunts, they do it indirectly. My final comment: they categorize animals in a strange way. I'm from the city, but I have my opinions. There is such a thing that Game and Parks provides known as a big game permit. There are four animals who qualify as big game for that purpose: deer, antelopes, mountain sheep, and wild turkeys. In Nebraska, wild turkeys are big game. So you see, terms are used arbitrarily. There may not be any logical connection between the designation of a creature and what that creature would be. I don't have anything else that I'm going to say. But if you have any questions of me, or just some comments you'd like to direct to me, because who knows, before nightfall I may die, you all may die, we all may die, or the world could come to an end. So we should not let these opportunities slide by without taking advantage of them. You've been very graceful...gracious in allowing me to come here and present my views. So I want to reciprocate if there's anything you'd like to address to me, then I will soak it up like a sponge. [LB745]

SENATOR FRIESEN: Thank you, Senator Chambers. Are there any questions from the committee? Seeing none, thank you. [LB745]

SENATOR CHAMBERS: I must retire to my other committee. Thank you. [LB745]

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SENATOR FRIESEN: Any others who wish to testify in a neutral capacity? Are there any other written testimony? You want to close? Senator McCollister. [LB745]

SENATOR McCOLLISTER: Thank you, Senator Friesen, and members of the committee. I thought it was a successful opening today for the bill. I think you saw there was a wide range in a level of support from many groups around the state and that would include conservation groups like the Audubon Society; hunting groups that recognize this is a necessary change. And I think, the second point I'd like to make is that these groups leverage the money that they receive from fees. So in that way, the money that comes in from fees expands the program, the wetlands, many of those areas that make Nebraska such a beautiful state. With that, I'd be happy to answer any questions. [LB745]

SENATOR FRIESEN: Thank you, Senator McCollister. Senator Schnoor. [LB745]

SENATOR SCHNOOR: Thanks. Senator McCollister, I asked you this on the side, but I just want to, I guess, get this on the record. There's a provision in here about veterans. And it specifies...it's more so with those with disabilities, but also resident veterans. And it adds fur harvesting to that. Does that...and I should have asked Jim Douglas when he was up here, but I saw this later, does that need to be changed where that says "lifetime permit" versus just a combination fishing, hunting, and fur harvesting permit? And that's something I definitely would like to talk on the side about that to see if that is necessary or not. I think it's already understood, but there are areas in here where it specifies lifetime versus annual. And so... [LB745]

SENATOR McCOLLISTER: That's a very good question. Thank you, Senator Schnoor. Actually, I checked with Tim McCoy. A subsection below, I think it's 3, indicates that...uses the word "perpetual." So, in that way those licenses are, in fact, lifetime...lifetime. And so a one-time fee for those veterans of our military. So I think we have you covered. [LB745]

SENATOR SCHNOOR: Okay. All right. Thank you. [LB745]

SENATOR FRIESEN: Any other questions for Senator McCollister? Seeing none, thank you, Senator McCollister. [LB745]

SENATOR McCOLLISTER: Thank you, Senator Friesen. [LB745]

SENATOR FRIESEN: We'll close the hearing on LB745. At this time we'll open the hearing, Senator Kolowski's bill, LB902. Welcome, Senator Kolowski. [LB745]

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SENATOR KOLOWSKI: Thank you, Senator Friesen. Good afternoon, members of the Natural Resources Committee. My name is Rick Kolowski, R-i-c-k K-o-l-o-w-s-k-i. And I'm here today to introduce LB902. LB902 is a technical clean-up bill which seeks to clarify several questions the State Energy Office raised on the Nebraska Clean Burning Motor Fuel Development Act after its passage in 2015. Primarily, the legislation clarifies that rebates under the act are only applicable to ethanol flex fuel dispensers and not ethanol vehicles. This was a piece of the bill important to Senator Friesen, for example, last year. Additionally, language is included to ensure that property can only qualify for a rebate once and follow the vehicle, not the owner of the property. Finally, the bill authorizes the energy office to use up to 10 percent of the money in the fund for administrative costs of implementing the program. This was an amount agreed upon verbally in 2015 and we have chosen to place language in statute to ensure the energy office is able to continue administering the program. After speaking with the energy office and other interested parties, I believe LB902 provides the clarity sought by the energy office. I would be happy to answer any questions that I might be able to answer. Thank you. [LB902]

SENATOR FRIESEN: Thank you, Senator Kolowski. Are there any questions? Senator Schnoor. [LB902]

SENATOR SCHNOOR: Is anybody going to be testifying after you to ask some...little more technical questions, I guess? [LB902]

SENATOR KOLOWSKI: I'm not sure who else is here...yes, we do, Tom, thank you. [LB902]

SENATOR SCHNOOR: Okay. My...I guess my question is, it talks about we've eliminated a gasoline containing less than 50 percent by ethanol by volume, so that would no longer qualify? And then no qualified clean burning motor vehicle fuel property, what specifically does that mean for property to qualify? [LB902]

SENATOR KOLOWSKI: I would defer to the person following me to give you the clarification of that, please. [LB902]

SENATOR SCHNOOR: Okay. All right. Thank you. [LB902]

SENATOR FRIESEN: Thank you, Senator Schnoor. Any other questions from the committee? Seeing none, thank you. [LB902]

SENATOR KOLOWSKI: Thank you very much. [LB902]

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SENATOR FRIESEN: Any other proponents wish to testify? Welcome. [LB902]

MIKE HOELSCHER: Good afternoon. Mike Hoelscher, M-i-k-e H-o-e-l-s-c-h-e-r. I'm a representative from Stirk Compressed Natural Gas. We are a joint partnership with two companies: Sapp Brothers Travel Centers and Central Valley Ag Cooperative. We were originally one of the supporters last year with this bill. And there's a clarification that we would like to see added as well. It has to do with the type of conversions for alternative fuels side of the bill that includes compressed natural gas and propane to where it is added that a dual fuel, an EPA dual fuel conversion is allowed as part of the incentive. It was left out because of the clarification on what that means. EPA dual fuel is part of the allowable conversion. Just to explain a little bit further, you have a dedicated vehicle which runs completely on natural gas or propane; you have a bi-fuel vehicle which allows for a spark-ignited vehicle to run on either gasoline or natural gas. But the dual fuel is for heavy usage. A dual fuel application allows a diesel truck to run on a mixture of propane or natural gas, usually around 50 percent. The reason why that is important is because for the trucking industry here in Nebraska, there is no dedicated engine available that allows a truck to operate over 400 horsepower. So it...the only alternative fuel vehicle for large hauls are 400 horsepower or less which is 12 liters or less. By allowing dual fuels part of that discussion, it will open the rebate for trucking fleets to utilize alternative fuels that use 15 liter engines. Nebraska being a 96,000-pound state has plenty of large fleets that are operating with 500 horsepower trucks. Also, the dual fuel allows for operators to expand the range that they're able to provide because if that alternative fuel is...if they're unable to reach their ultimate destination, the dual fuel application allows a vehicle to run on 100 percent diesel fuel on the back end. So it's a supplement that we would like added. It's pretty standard language because these dual fuel kits are EPA approved. And there's...it gives the availability for these larger trucking fleets to operate whether or not they're running longer distances or they're running dual fuel engines that are larger than 400 horsepower. Any questions? [LB902]

SENATOR FRIESEN: Thank you, Mr. Hoelscher. Any questions? Senator Schnoor. [LB902]

SENATOR SCHNOOR: I know it...well, and obviously it isn't in there, but the dual fuel, that doesn't...that's not a major conversion, is it? Other than the fuel tank, obviously. [LB902]

MIKE HOELSCHER: As far as, yeah, major to the vehicle itself? It is not. The dual fuel conversion allows an alternative fuel tank to be added to the truck. And the system is mainly a computer and an injection source. And so it's allowed to be able to be transferred over time. That's a benefit to it is you're able to take this conversion kit and utilize it two or three times in a lifetime of a truck. Usually if a fleet is operating within 500 to a million miles, that truck might last for about five years. These kits last for about 20 years. And so they're relatively simple to add to a larger truck, but it's an important part, especially in a state like Nebraska because of the

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infrastructure and because of that desire to build out that infrastructure. Fleets need to be able to say--okay, yeah, I'm going to utilize alternative fuels, but that allows me to go out to western Nebraska and back without worrying about running out of fuel. [LB902]

SENATOR SCHNOOR: Okay. Thank you. [LB902]

MIKE HOELSCHER: Yep. [LB902]

SENATOR FRIESEN: Thank you, Senator Schnoor. Senator Kolowski. [LB902]

SENATOR KOLOWSKI: May I ask a question? Thank you, sir. Would you discuss the environmental impact of the converter building and... [LB902]

MIKE HOELSCHER: That's a big part of it because the nature of the bill in the first place was, you know, whether it's ethanol, whether it's propane, natural gas (inaudible) and so forth is the environmental side of it. It allows, with these dual fuel conversions, the EPA...the reason why there's an EPA stamp behind it is because they will not allow somebody to put something on a vehicle that will degrade the initial emission systems of the vehicle. So they have to be approved by the EPA. They're gone through testing and so on and so forth to do that. Once they get that approval stamp, and what that allows them to do is displace up to about 50 to 60 percent of the overall petroleum-based fuel with cleaner burning alternative fuel such as natural gas. So you're able to take NOx levels down, carbon levels down, smoke down, so on and so forth by installing these kits. And just, yeah, any alternative fuel kit, that's one of the main intentions is to clean up the vehicle itself with the emission side. [LB902]

SENATOR KOLOWSKI: And that would result in cheaper operating costs also? Adjusts the prices involved? [LB902]

MIKE HOELSCHER: Yes, sir. Yes, sir. Yep. [LB902]

SENATOR KOLOWSKI: Thank you very much. [LB902]

MIKE HOELSCHER: Thank you. [LB902]

SENATOR FRIESEN: Thank you, Senator Kolowski. Any other questions from the committee? I've just got a couple questions maybe. Most of the conversions that are currently under the bill,

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since they're not dual fuel, they're going to be conversions from trucks that did burn diesel fuel and they're going to be converted to compressed natural gas? (Inaudible.) [LB902]

MIKE HOELSCHER: Well, there is no conversion on a diesel fuel truck to a dedicated engine. Sometimes what they call them is "re-powers" where they take the truck, basically, the engine apart and they put in a spark-ignited engine. The conversion side of it is...you can either run on a...when you're talking about a large truck, 300 horsepower, 400 horsepower, so on and so forth, you're talking about a spark-ignited engine that's 100 percent dedicated. And so the nature of the bill allowed for incentives for dedicated motors or conversions of bi-fuel to bi-fuel which are only spark-ignited engines. And so if you're converting a bi-fuel engine to an alternative-fuel engine, you're leaving it completely intact, but you're adding a tank and a kit that allows it to run on either the alternative fuel or unleaded gasoline. And so when we're talking dual fuel, the nature of that is heavy-duty diesel engines to allow them to be outfitted to run on both compressed natural gas or propane and diesel fuel. [LB902]

SENATOR FRIESEN: So the original intent of the bill, I guess, the way it was written though was for conversion to compressed natural gas then from a gasoline engine? Or were they going to repower it? [LB902]

MIKE HOELSCHER: The original intent was to provide all alternative fuels to benefit whether it's a conversion of an unleaded vehicle to the ability to operate on propane or natural gas or a dedicated application such as a truck fleet that decides that instead of running a diesel truck to purchase a compressed natural gas-dedicated truck. [LB902]

SENATOR FRIESEN: Typically they would be the smaller trucks. There were no large trucks... [LB902]

MIKE HOELSCHER: Typically, the dedicated motors are 400 horsepower or less. There is no...they...there was a 15 litre, 500 horse engine that has not been publicly...really...there's really no...it only ran on liquified natural gas and so it didn't get a big market share. So it currently right now...they're not mass producing a 15 litre engine. It's just a 400 horsepower, 12 litre engine. [LB902]

SENATOR FRIESEN: Okay. Thank you, Mr. Hoelscher. Any other questions from the committee? Seeing none, thank you for your testimony. [LB902]

MIKE HOELSCHER: Okay, thank you. [LB902]

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SENATOR FRIESEN: Other proponents? Welcome. [LB902]

JILL BECKER: Good afternoon, Senators. I am Jill Becker spelled J-i-l-l B-e-c-k-e-r, and I appear before you today as a registered lobbyist for BlackHills Energy and I'm here to support LB902. Thank you to Senator Kolowski for introducing the bill. And I think you've really heard pretty much there is to say about the bill. It's only a couple of pages long with a few changes, so I'd really just be happy to answer any questions that you might have that haven't been answered. [LB902]

SENATOR FRIESEN: Okay, thank you. Senator Schnoor. [LB902]

SENATOR SCHNOOR: Okay. My questions were the same that I asked Senator Kolowski. Why is the gasoline with 15 percent ethanol, why is that eliminated? [LB902]

JILL BECKER: Yeah, so, you heard the earlier discussion, we intended to cover the flex fuel dispensers, not any vehicle running on ethanol. So we're looking at the property itself, not the vehicle. So we're striking that language on page 2. If you look at the language on page 4, line 11, that's where it says that the money can be used--no more than 35 percent of the money shall be used as rebates for flex fuel dispensers. So we fully intend to still support ethanol as a cleaner burning fuel, we're just not...it is not our intention to help you pay for that vehicle. [LB902]

SENATOR SCHNOOR: Okay. Is that why it says on page 3, line 4--no qualified clean burning motor vehicle fuel property? [LB902]

JILL BECKER: So that... [LB902]

SENATOR SCHNOOR: Does that qualify? Is that because...were you talking about the dispenser? [LB902]

JILL BECKER: No. Actually that language is so that a vehicle can only qualify for one rebate. So that, as an example, I can't purchase a vehicle running on CNG, apply for the rebate, sell it to you, and you apply for the rebate, you sell it to somebody else and they apply for the rebate. It's so that the property has one rebate and then you're done. [LB902]

SENATOR SCHNOOR: Like the original owner so to speak. [LB902]

JILL BECKER: Like the original owner, yep, yep. [LB902]

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SENATOR SCHNOOR: All right. Thank you. [LB902]

SENATOR FRIESEN: Thank you, Senator Schnoor. So any other questions from the committee? I guess in the previous testimony, do you support any changes like that that you see? [LB902]

JILL BECKER: We do support the change to ensure that both dedicated and dual fuel vehicles would qualify for the rebate. I think that that was the intent last year. And, obviously, there's maybe some question about the type of vehicles that qualify, but given the lack of infrastructure in our state, we really won't be helping the industry very much if it has to be a dedicated vehicle. It will help some. It will help some of those fleet managers. But it really won't help those vehicles that don't come back home every night. It's only going to help those vehicles...that's the only ones it will help is ones that do come back every night. Ones that go across our state, those will be the ones that do not qualify. So we would support that change. [LB902]

SENATOR FRIESEN: Okay. I know last year when we were working on language, I did not intend to be a cost-share on switching a vehicle over to an ethanol fuel. So the language cleanup I do support. [LB902]

JILL BECKER: Great. [LB902]

SENATOR FRIESEN: I think it does reach the goals that I wanted to have. And so I think everything is good. Any other questions from the committee? Seeing none, thank you for your testimony. [LB902]

JILL BECKER: Thank you. [LB902]

SENATOR FRIESEN: Any other proponents? [LB902]

JOHN HANSEN: Mr. Vice Chairman, members of the committee, for the record my name is John Hansen, J-o-h-n, Hansen, H-a-n-s-e-n. I'm the president of the Nebraska Farmers Union. We were in support of the bill last year and what we thought we were doing. And we're in support of the technical cleanup that's before you. And our question, Senator Schnoor, was the same question you had and that's been satisfactorily answered for us. And so we are generally supportive of helping expand our efforts in our state to utilize these kinds of clean-burning fuels. And it seems like a fairly simple technical bill that cleans up the understanding and implementation of something we've already agreed to. So with that I end my remarks and be glad to answer to any questions if I could. [LB902]

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SENATOR FRIESEN: Thank you, Mr. Hansen. Any questions from the committee? Seeing none, thank you for your testimony. [LB902]

JOHN HANSEN: Thank you very much. [LB902]

SENATOR FRIESEN: Any other proponents? Seeing none, are there any opponents to the bill? Seeing none, does anyone wish to testify in a neutral capacity? Seeing none, Senator Kolowski, would you like to close? Senator Kolowski waives closing. We will close the hearing on LB902. And I think that's all we have for today. Thank you very much. [LB902]