

**Government, Military, and Veterans Affairs Committee**

**LB 948**

**February 15, 2018**

**Bo Botelho, Chief Operating Officer  
Department of Health and Human Services**

Good afternoon Vice-Chairman Brewer and members of the Government, Military, and Veterans Affairs Committee. My name is Bo Botelho (B-O B-O-T-E-L-H-O); I am the Chief Operating Officer for the Department of Health and Human Services. I am here today to testify in support of LB 948.

The size and scope of state government is a critical issue for Governor Ricketts. The administration has focused on changing the culture of state government, to realize the people of Nebraska are our customers and we must provide excellent service. Our mission is to create opportunities through a more effective and efficient customer-focused state government. An overly burdensome regulatory structure stifles innovation and growth. However, before changing the current structure, we needed to review the current state of regulation in Nebraska.

As Senator Murante stated, the Mercatus Center at George Mason University conducted a review of all the rules and regulations in the State of Nebraska last spring. I have handed out the analysis published by the Mercatus Center for your review. Broadly, the study found that Nebraska's administrative code contains more than 7.5 million words with over 100,000 restrictions.

Upon receiving the initial findings from the Mercatus Center, Governor Ricketts issued Executive Order 17-04. The Executive Order froze the rulemaking process and ordered agencies to conduct a review of all existing and pending agency regulations.

Agencies did not take this responsibility lightly. DHHS looked at its current rules and regulations and asked what language needs the full force of law and struck out the remainder. We then looked at the stricken language and asked does it have any value, and if so, to whom? When the answer was the public, this language was primarily instructional in nature, thus it tended to lend itself most appropriately to a guidance document. We also found language which really only spoke to the agency, this tended to lend itself to an internal protocol.

We then examined the remaining language. First we looked for redundant statutes and regulations. If the rule only recited statute it was removed. Competing regulations were harmonized. We then questioned the succinctness of the language, the necessity, and the restrictiveness. Regulations were reduced to a strict utilitarian form. We intend to continue to use this model as a lens for future rule drafting and amending.

LB 948 enables various state agencies to repeal unnecessary regulations that were promulgated only because existing statute includes the phrase "shall promulgate" as opposed to "may promulgate." You will hear from agency directors Jim Macy and Bruce Ramage about their findings and the impact this will have.



The Governor's Office is currently reviewing the preliminary agency reports. Upon the completion of their review, the Governor's advisory task force will meet to make further recommendations to Governor Ricketts. Agencies are continuing to review their regulations and the process of repealing and updating overly burdensome regulations.

This legislation is the next step in our efforts deliver a more effective and efficient customer-focused state government. We look forward to continuing our work to reduce red tape and make Nebraska a better place to live, work, and raise a family.

Thank you for your time today. I'd be happy to answer any questions.