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FLOOR DEBATE

March 14, 2006 LB 689, 1208

SENATOR RAIKES: Yes.

SENATOR BOURNE: Thank you, Senator Raikes. I, as you know, voted against this bill coming out of the Education Committee, largely because I...we've been so focused on one city, one school and a host...a whole host of other issues, that I still am a little unclear as to how this works. And my question to you, Senator Raikes, is when...last year when Senator Stuhr introduced the bill and it had a \$30 million fiscal note, and the bill didn't go anywhere, and this year, when you've introduced it, after your interim study and hearing and that, it only has a fiscal note of...oh, I think it's slightly less than \$3 million. And I never...and again, this was me not being able to ask the question, but what has changed in the bill that, when Senator Stuhr had it, it was \$30 million, and when you have it, it's just several million? Have we scaled the project back?

SENATOR RAIKES: That's a good question, Senator. The whole approach changed, and you know, I don't want to take up a lot of your time, so shut me off...

SENATOR BOURNE: Well, actually, that's okay. I think we need to understand exactly what it does, so go ahead.

SENATOR RAIKES: Okay. At one point, or back when this...sort of the initial contracts were made by school districts with the telecom providers, this sort of technology was relatively new. There was an important need to encourage school districts in this direction. So the state took a fairly aggressive position in the form of buying down contracts with telecom providers. Let me give you an example. You are school district X located in town Y. You make a contract with a telecom provider, which full price is \$1,500 a month. The state provided up-front funding so that the actual amount you would need to pay on an ongoing basis was only \$1,000 a month, so that kind of buy-down. In addition, there was a considerable amount of...or at least in some instances the state paid 100 percent for equipment that was needed in order to do the technology. So when the proposal came to the Legislature last year in the form of LB 689, that proposal was to continue this sort of an arrangement on into the future; that is, that we would look at how much would be