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Education Committee
February 06, 2007

[LB91 LB473 LB558 LB642]

The Committee on Education met at 1:30 p.m. on February 6, 2007, in Room 1525 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB91, LB473, LB558, and LB642. Senators present: Ron Raikes, Chairperson; Gail Kopplin, Vice Chairperson; Greg Adams; Brad Ashford; Bill Avery; Carroll Burling; Gwen Howard; and Joel Johnson. Senators absent: None.

SENATOR RAIKES: Good afternoon. Welcome to this hearing of the Education Committee of the Nebraska Legislature. We are pleased you could be here. Please have a seat and join us in the discussion. We are going to hear four bills this afternoon. This is a continuation of our hearing schedule dealing with the metro area school issues. I will describe it that way, even though it is a statewide issue. This afternoon, there are four bills. They were posted on the outside of the hearing room, and we will hear them in that order. I would remind you of our rules which will continue pretty much as they were yesterday. For those of you who wish to testify, please come forward, fill out one of the little forms and throw it in the box. As you begin your testimony, why please state for us your name and spell your last name, if you would. This is for our transcriber. We will use the light system again, and three minutes is our time limit. As I look at Senator Cornett, I will note that we don't use the time limit either for the introduction or for the close, if it is desired, and also if there are other members of the Legislature which wish to testify on the bill, why we don't limit time there. But we do it for other testifiers, hopefully for your convenience and the efficient use of your time. We will hope you will try your best to condense your testimony and give us only particularly new ideas, and if you are following several people on the same side of an issue, why try very hard to focus on things that we haven't heard before on that issue. Also, we will limit testimony, if it is needed, to 45 minutes on each side of an issue, and, again, the sides are proponent, opponent, neutral. That is the way we will hear the bills. I think I have covered those, except to remind you that please disable your cell phones or any other devices you might have which would interrupt the proceeding. At this point, I will go through the introduction of our committee for you. To my far right is Matt Blomstedt, the committee's research analyst; soon will be Senator Brad Ashford from Omaha; next to Senator Ashford will be Senator Gwen Howard from Omaha; just now being seated is Senator Carroll Burling from Kenesaw; to my immediate right is Tammy Barry, our committee's legal counsel; I am Ron Raikes, I represent District 25; to my immediate left is the committee's Vice Chairman, Gail Kopplin from Gretna; next to Gail is Senator Greg Adams from York; then is Senator Joel Johnson from Kearney; Senator Bill Avery from Lincoln will be along shortly; and our committee clerk is Kris Valentin. So with that, I think we are ready to begin, and Senator Cornett, if you would introduce whatever bill it is you are going to introduce.

SENATOR CORNETT: LB91, Mr. Chairman. [LB91]

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SENATOR RAIKES: LB91. You are right. Thank you. [LB91]

SENATOR CORNETT: Good afternoon, Chairman Raikes and members of the Education Committee. My name is Abbie Cornett, C-o-r-n-e-t-t, and I represent the 45th Legislative District, specifically the citizens of the Bellevue/Offutt Community. I am here today to respectfully request your consideration for LB91. LB91 removes Sarpy County from the learning community. I proposed this legislation at the request of my constituents who are opposed, as I am, to doing anything that increases taxes, stifles community growth, removes local control, and violates the principle of one-person, one-vote. LB1024 was passed last year in an attempt to solve the problems in Douglas County, specifically between Omaha, Westside, Millard, and Elkhorn. When the bill passed, however, Sarpy County was included. At the time the passage had appeared that most, if not all, the school district in Douglas and Sarpy Counties were opposed to at least some portion of the new law. Some of the superintendents have since gone back and worked on a requested compromise, LB547, which was introduced by Senator Kopplin. It appears that most of the superintendents in Douglas County agree with the proposed legislation. In Sarpy County, however, you will see we are not in agreement with LB547. As you will see in testimony today, the Sarpy County Republicans, the Bellevue/Offutt Community, and representatives of the communities in Sarpy County are in support of LB91, to be removed from LB1024, the learning community and any other proposed such legislation as LB547. I am very concerned about the financial aspects of the learning community ideas. The common levy required under the learning community would not require any increase in Bellevue or Gretna. But in the Papillion-La Vista School District, it would require an 8-cent increase, and an 11-cent increase in school taxes in South Sarpy School District 46. And three of the school districts is Sarpy County, even with tax levy increases would lose anywhere from \$723 up to \$5.9 million in property taxes. Compounding this problem is the difference in assessed valuation between Sarpy and Douglas County. Nebraska State Law 77-5023 requires property to be assessed regularly between 92 and 100 percent of valuation. Sarpy County reassesses property every year. Douglas County, however, reassessed property every five years, and in some cases even longer than that. Douglas County, however, is making great progress. In 1998, according to the Omaha World-Herald study, 48 percent of the homes in Douglas County had an assessed value that was less than 80 percent of the selling price. In 2006, that number had decreased to 28 percent. With the common levy, Sarpy County would be paying more tax dollars because the county assesses property on a yearly basis. Local school boards and local communities have done very well in Sarpy County. The development of these school districts and the communities, even where there are differences, can be worked out. So I would ask you to address the problems in Douglas County, just to include Douglas County, and please leave Sarpy County out of LB1024. Thank you very much. [LB91]

SENATOR RAIKES: Thank you, Senator. Questions for Senator Cornett? Senator, as you visit the cities, I do occasionally, it is clearer as you are driving around, or it is not

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clear, I should say, where driving through the city, that Douglas County ends and Sarpy County begins. Would you agree? It is sort of a continuous metro area? [LB91]

SENATOR CORNETT: Yes. [LB91]

SENATOR RAIKES: Okay, and so to some extent, to follow up with that, isn't public education appropriately considered to be a challenge for the entire metro area? [LB91]

SENATOR CORNETT: I would feel that yes it is a challenge for the metro area, but if you look at the past history of Sarpy County, all of the school districts have been doing a very good job of educating their students. We were not in the same position as the school districts in Douglas County, specifically OPS, even though OPS has quite a large percentage of my district. [LB91]

SENATOR RAIKES: Okay. [LB91]

SENATOR CORNETT: You are well aware of the district lines. [LB91]

SENATOR RAIKES: Okay. Senator Burling has a question for you. [LB91]

SENATOR BURLING: Thank you, Senator Cornett. Along that line, school district lines do cross the county lines between Douglas County. [LB91]

SENATOR CORNETT: Yes. [LB91]

SENATOR BURLING: But your bill specifically says that where the district offices are, that is where you want to be excluded. [LB91]

SENATOR CORNETT: The Sarpy County school districts to be excluded. [LB91]

SENATOR BURLING: So there is not a problem with your bill as far as a school district crossing a county line currently? [LB91]

SENATOR CORNETT: OPS would still be OPS. [LB91]

SENATOR BURLING: Okay. [LB91]

SENATOR RAIKES: Senator Howard. [LB91]

SENATOR HOWARD: Thank you, sir. Just a quick point of clarification, didn't Bellevue and Omaha work together initially? Weren't they united? [LB91]

SENATOR CORNETT: Yes, and they still would, from my understanding, be willing to

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sit down and work out an agreement between the two of them regarding the school districts that are in Bellevue, but it all depends on what comes out of the Legislature this year. [LB91]

SENATOR HOWARD: Did they have some sort of a disagreement? Is that why Bellevue is having... [LB91]

SENATOR CORNETT: Oh no, not at all. [LB91]

SENATOR HOWARD: Okay. So Omaha and Bellevue continue to have a good relationship, a positive relationship? [LB91]

SENATOR CORNETT: From what I understand, yes. The superintendent will be following me. He can speak more directly to the issue of his relationship with the different superintendents. [LB91]

SENATOR HOWARD: Okay. Because I do remember initially that Omaha and Bellevue were very supportive of one another. [LB91]

SENATOR CORNETT: And I believe they still are. [LB91]

SENATOR HOWARD: That is good to hear. Thank you. [LB91]

SENATOR RAIKES: Any other questions? I don't see any. Senator, do you plan to stick around for the close? [LB91]

SENATOR CORNETT: I will reserve the right to waive closing. [LB91]

SENATOR RAIKES: Okay. It is so reserved. [LB91]

SENATOR CORNETT: Thank you. [LB91]

SENATOR RAIKES: Okay. We will move now to proponent testimony, and how many people do we have to testify as proponents? Okay. All right. We will proceed with three minutes each. Please, come on up and we will get started, and keep in mind, try to provide us new information as we go along. Thank you. [LB91]

JOHN HANSEN: (Exhibit 1) Right. Okay. Good afternoon. My name is John Hansen, and that is H-a-n-s-e-n, and currently I am the president of the Bellevue Board of Education. I have served on the board for 22 years through three different superintendents and have been president 14 times. So John is our new superintendent, if you haven't heard from him. One of the things I would like to say, as a business person I own a real estate firm and I have an office in Papillion and in Bellevue, which is

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in Sarpy County. I am here in support of LB91 to remove Sarpy County from the learning community. Probably one of the major reasons I look at that and that you will see here today, our whole community, that is Bellevue community, is all here. Our mayor is here. Our Chamber of Commerce is here. Our superintendent is here. The entire community is behind removing Sarpy County, and I am talking about the Sarpy County school districts. Sarpy County is one of the fastest growing counties in the United States. Also, one of the top questions that people ask when they come in they say what school district are you in. My involvement with the Bellevue schools as we have grown, under the old law back in 1984 where Class III districts could actually as the ground was being platted we could expand into certain areas, and evidently that has gone away with the learning community. One of the areas too, and Senator Cornett mentioned, is on the funding. I am very concerned about that funding as you look at how are you going to fund the learning community? How is that going to affect us when you throw Douglas and Sarpy County into one pot? And I as a taxpayer or a person in that area, how am I going to vote for the assessors, for instance in Douglas County, and if I am upset the way he is assessing or how am I going to vote for or against what the county commissioners do in Douglas County versus Sarpy County as it relates to, you know, as a taxpayer. And also, I have heard this information from so many people and so many people that I run into over the last 20-some years and 30 years in the business looking at the concern with throwing us into one pot under one learning community program. Under this law, I think that we would be at a real disadvantage where we are right today as I look at our school district, how we have grown, how we have tried to follow all the different aspects of the learning community law that is in LB547 and under LB1024. Parts of that I could say we agree with. But there are definitely parts that we would like to be out of. And the main thing is to support LB91 to remove Sarpy County school districts from this. [LB91]

SENATOR RAIKES: Okay. Thank you, John. Questions for John? Okay. I don't see any, thank you. [LB91]

JOHN HANSEN: Okay. Thank you. [LB91]

SENATOR RAIKES: John. [LB91]

JOHN DEEGAN: (Exhibit 2) I am John Deegan, superintendent of schools in Bellevue, Nebraska, J-o-h-n D-e-e-g-a-n. I would tell you that I am very, very proud of Bellevue as a community today to show the genuine interest for our community. You notice the mayor, the chamber of commerce, the teachers, the are other people in that area. You will find that there is a great spirit of cooperation and community in Bellevue. People from outstate or different towns may look at the Omaha area and kind of clump us all to one and kind of say ah, that is the metro area, the Bellevue area is it really so important, it is all tied together. And I agree streets kind of separate maybe a district or not, but there is still a tremendous community identity in those communities, and Bellevue prides

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itself that we are the fourth largest school district and the third largest community. So whether it is a street that separates us or not, we are still a very strong community. I could go through all the things and talk about our school district, but I could tell you there are lots of points of pride at Bellevue schools. The number of PTAs, PTSAs, the number of students involved at parent conferences, the number of how we come out on the tests and the activities that way, we are debt-free. You know, we are running the school district the way it should be run, and I saw in a recent quote you had in the Sunday paper, Senator Raikes, you were talking about the ideal school district between 10,000-15,000. Well, we are at 9,500 and we are very proud of our class size. We are very proud of our debt-free. We are very proud of our program, and the military across the world talk about coming to Bellevue because of the school system. And so we like that pride in what we do. In Sarpy County in the map that I handed out the other day, you can see there is a lot of territory yet to be filled in, and all of us would be gone from this scene by the time it all develops, but I think allowing the communities to develop and grow those boundaries is very, very important. We receive half of our money from the state of Nebraska in state aid, and that state aid is we are at the maximum right now, taxing ourselves at the maximum. And so really there is no more state aid that I see that is coming around. Even though we see the special ed dollars being cut back, everybody talks about special ed, but the money seems to be cut back, cut back and the amount of reimbursement is now down to about 58 percent. And the amount of early childhood money going toward early childhood isn't the kind of dollars for the growing population. So I think we need to be focused on those issues, about early childhood, about special education, the things we already have in place that work extremely well. And so I love this idea. It is a great idea. We can operate quite well. I understand the issues you are trying to deal with, but Sarpy County is asking to be removed from the learning community concept, and especially the Bellevue school district. So I will take any questions. [LB91]

SENATOR RAIKES: Okay. Thank you, John. Questions? John. [LB91]

JOHN DEEGAN: Yes. I will just comment. John Mackiel and I are great friends. I have the utmost respect for John Mackiel, and we are still very active, involved and discussing. I have exchanged all the building plans, he has given me all the building plans. We are looking at numbers, talking about kids. It is still our intention that the Bellevue community which goes up where the Omaha school district comes across, that the Omaha school district and the Bellevue community will sit down shortly and begin to talk about a transfer of those territories. And it is now they are kind of trapped, and so it is a hard time giving up kids when they are not getting some other kids in place. So we will be doing that as soon as possible and I have the utmost respect for John Mackiel. [LB91]

SENATOR RAIKES: John, with the learning community, Bellevue would still be a school district... [LB91]

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JOHN DEEGAN: That is correct. [LB91]

SENATOR RAIKES: ...it would still have a school board, you still have the community of Bellevue. [LB91]

JOHN DEEGAN: We begin the dying process as soon as you put in the learning community and freeze our boundaries. [LB91]

SENATOR RAIKES: So the real issue with you is the freezing of the boundaries? [LB91]

JOHN DEEGAN: Absolutely. [LB91]

SENATOR RAIKES: The other issues are not as important? [LB91]

JOHN DEEGAN: The other issues are things that we can do already and we are doing already. So I don't think we are inventing anything new by these other learning community ideas. [LB91]

SENATOR RAIKES: Okay. Any other questions? I see none, thank you. [LB91]

JOHN DEEGAN: Thank you. [LB91]

SENATOR RAIKES: Next proponent. Yes, sir. Ed. [LB91]

ED BABBITT: (Exhibit 3) Good afternoon Chairman Raikes and the members of the Education Committee. I would like to share one little thing as a conversation here about... [LB91]

SENATOR RAIKES: I know who you are, but the transcriber doesn't. [LB91]

ED BABBITT: Pardon? Oh, excuse me. Yes. I am Ed Babbitt, mayor of Bellevue, Nebraska, B-a-b-b-i-t-t. I get wound up in the testimony a little bit. And I just wanted to share something with the committee. I have been in office 57 days now. I was on the city council 24 years before that. To get on the ballot elected, I had to do a petition drive and then we did a grassroots campaign. I talked to a lot of people in the city of Bellevue. Most people in the Bellevue school district, their concerns were maintain good excellent city services and try to hold the property tax levy down. But when you get into the other school districts they are saying, Mr. Babbitt, what can you do to get us in the Bellevue school district? We don't feel like we are a part of the community. And we do have four school districts in the city of Bellevue. And if you look at the map that I believe Dr. Deegan passed out yesterday, you will see our zoning service sections go over to 60th Street. We have school districts moving in. The people want to feel like they are more of

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the community. This is what Sarpy County communities are, and I want the city of Bellevue joins with the Bellevue/Offutt community in urging your support for LB91. Sarpy County, unlike Douglas County, is made of actual cities and communities. Millard, for example, is not a city but is part of the Omaha community. Millard's identity is largely due to it's school district. You do not see the Westside community as you drive through Omaha, and I have worked in Omaha a good share of my life. It is not a community like we find in Sarpy County. In Sarpy County there are cities and communities. Bellevue/Offutt, Papillion, La Vista, Gretna, Springfield, each of these cities are served by a school district that identifies with the city as part of the community. Schools are one of the most important components for families moving into an area, as well as for economic growth when a business is looking to start or relocate. When LB1024 passed last year, we began to see how our communities were affected. In Bellevue and Papillion, for example, we have housing areas that are ready to move forward, but they are on hold. LB1024, however, stopped community growth by freezing school boundaries. These developers are no longer interested in building our communities unless they are served by the Bellevue or Papillion school districts. The law that is available for all Class III school districts in the state is frozen under LB1024. The Bellevue/Offutt community is requesting that you remove Sarpy County from the learning community by supporting LB91 and allow us to function like all other first-class cities in Nebraska. Thank you. [LB91]

SENATOR RAIKES: Okay. Thank you, Ed. Questions? I don't see any, thank you. Oh, I'm sorry, Senator Avery. Excuse me. I didn't see you. [LB91]

SENATOR AVERY: I did. Thank you, Mr. Chair. This is not the first time that we have been told that freezing the boundaries of the school districts will retard growth. Do you have any number that you could give us, building projects that have been suspended because of LB1024? Do you have direct evidence of this? [LB91]

ED BABBITT: Yes. There are housing developments. Plus the city has 270 acres of land they bought for a regional park, and we didn't need the 270 acres. We need 80 or 90 acres, but that is the only way it would be sold. Part of that will be commercial development. Part of that will be higher-class, hopefully, residential development, because if we move businesses in the community, there are people who want higher-priced homes so they can live in the community that they work in, and that, even though it borders on 36th Street and our zoning jurisdiction goes to 60th Street, that is locked in a different school district. And as you look at Bellevue's growth as we move to the south and southwest you will end up at one point where a major portion of Bellevue will not have the Bellevue school district in it, and it is important. We are split up anyway by the Kennedy Freeway, Offutt Air Force Base, the flood plain. We work hard to pull our community together and to do that we have to get the people feeling...we had a great event last Friday night. Bellevue East played Bellevue West. There was probably 3,500 people there. The doors were closed, locked because there were more people

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wanting in than it would hold. It was a community event. It was a great event. One team won one game, one the other. This is how you pull your community together. This is how you get volunteers for everything. This is one reason we work so well with Offutt Air Force Base. [LB91]

SENATOR RAIKES: Okay. [LB91]

SENATOR AVERY: I am afraid I still didn't get an answer. Do you have any specific developers who said, we are not going to develop now because of the boundary issue? [LB91]

ED BABBITT: Well, they back off. You can see development. They ask where the school district is. I think John Hansen hit on that pretty well. He is in the real estate business. He works with developers probably every day, at least four or five days a week, and he has the utmost contact with the people coming in and the development and also the homes as people come in. And I get so many complaints from people saying I moved here because I wanted to live in Bellevue and now I find I am in a different school district, and I want to be part of the Bellevue community and do things in that way. And they even up and up say well, why don't they let us vote on it, and I would like to see a circumstance where you would let the people in the other districts vote which way they want it to be and what school district. [LB91]

SENATOR AVERY: Thank you. [LB91]

SENATOR RAIKES: Okay. Thank you, Ed. Next proponent. [LB91]

RALPH GLADBACH: (Exhibit 4) Good afternoon. My name is Ralph Gladbach, G-l-a-d-b-a-c-h. I am an architect with Hill-Farrell Associates Inc. in Bellevue. Doug Hill, who is the president of our company, was supposed to be here today, but due to a family issue he had to back out and he asked me to step in for him. He did have a statement, which I will go ahead and read through. Our firm was incorporated in 1991. It is the only full-service, architectural engineering firm located in Sarpy County. I personally have been actually involved in the land development industry in Sarpy county since 1970. I have been fortunate enough to have been involved in the development of 50-plus subdivisions in Sarpy County, with the majority of this development occurring in the last 20 years. This development has contributed to the significant population growth experienced in Sarpy County. It is easy to see the commercial/industrial development which has occurred in our county along with I-80 corridor. However, much of the residential development has occurred along the Highway 370 corridor. This residential development has generated the roof tops necessary for the retail development we are now experiencing along this same corridor. Sarpy County is finally becoming home to many national retailers. As the residential development continues, this commercial development will continue, which provides true tax base needed for communities to

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prosper. One of the major considerations a developer considers in site selection is the school district a property is located in and proximity to schools. This fact is proven by the development pattern in Sarpy County, the majority of the residential development has occurred in the Bellevue, Gretna and Papillion school districts. This development has provided for the expansion of the existing infrastructure in an orderly manner, which has furthered these development patterns. And in the written summary that has been submitted to the committee, there are a series of student enrollment for the various districts in Sarpy County as well as the assessed values. As you can see from the 1990-2006 numbers, everything has substantially increased percentage wise except for the student populations in South Sarpy school district. In Bellevue and Papillion, this expansion has been facilitated by state statute 79-473 passed in 1984, which allowed new subdivisions to be annexed into the adjoining school district during the platting process. I personally believe the growth we have seen in Bellevue and Papillion would have not occurred if adjustment of school district boundaries had not been possible. Much of this growth has occurred in what was previously the South Sarpy school district. My purpose today is to express my concern with the current situation where school district boundaries are frozen. There is certainly undeveloped ground still available in the Bellevue and Papillion school districts. However, this ground will be used up in a few years and history has shown us developers have not been interested in developing in South Sarpy school district. Freezing school district boundaries may be appropriate in Douglas County, but I fear it will stifle future growth in Sarpy County. We all know that the residential housing industry has slowed in our area. Frozen school district boundaries will only add to the problems in our industry and slow our long term recovery. I respectfully ask you to support and advance Senator Cornett's bill, LB91. Thank you. [LB91]

SENATOR RAIKES: Thank you, Ralph. Questions? Senator Johnson has one. [LB91]

SENATOR JOHNSON: You made reference to the I-80 corridor and Highway 370 expressway as being critical to you development. Would you recommend that to other parts of the state? [LB91]

RALPH GLADBACH: I think you are seeing a lot more of the development in the metropolitan area because of the population bases that we are seeing. You are going to be seeing within the next 10 years the whole 370 corridor from Gretna down to Bellevue pretty much being filled up because of the excess and the national retailers that are coming into facilities to fill the spaces. [LB91]

SENATOR RAIKES: Okay. Any other questions? Thank you, Ralph. Next proponent. Welcome. [LB91]

KEVIN COMCOWICH: (Exhibits 5 and 6) Good afternoon. My name is Kevin Comcowich, C-o-m-c-o-w-i-c-h. Thank you for the opportunity to come before you today

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to testify, senators. I stand in favor of LB91 because the current laws and pending legislation regarding the Omaha area metro school districts is bad for the communities, parents, and most importantly the children of Sarpy County. As I watched last year the debate on LB1024, I was greatly troubled by what transpired. What I had hoped would be a chance for the metro area school districts to begin to work together for the greater good of all of our students actually turned into a disingenuous and often punitive display. For example, some of the senators from rural districts have suggested that now OPS will now feel the pain that the Class I districts are feeling, as if to say that the metro districts should be punished for whatever role they may have had in the passage of LB126. Studies were quoted that support the idea that smaller districts are better than the so-called megadistricts. Yet there is no mention of a 2003 study in the state of Nebraska that shows that the smallest districts in the state are, in fact, the most cost-inefficient. Since then, members of boards of education, superintendents, education associations have been excluded from meetings dealing with the superintendents proposal, LB547, by Senator Kopplin. That goes against everything that we have based our democracy on. If these districts are not allowed to participate in the decision making process, it is only going to serve to exacerbate the divisions in our communities. All of the children of the metro area are effectively being held hostage by these attitudes and actions. We must all be allowed to work towards the betterment of the children. This committee above all others, senators, has the power to affect the future of our great state, and you have the ability to begin to bring us back together by putting this issue behind us once and for all. I urge you to follow the tenets set out in Sections 79-441 and 79-473, which you have been given, governing considerations when changes are made to school districts. Highlights of those are: the educational needs of students and local communities; economic impact upon the affected school districts; common interests between platted areas and school districts, and the community with zoning jurisdiction. Similarly, in an effort to resolve the conflicts between Aquilla and the Omaha Metro Utilities District, the Unicam passed LB1249. That legislation provides similar guidance when determining what is in the public interest based upon: economic feasibility; impact on existing and future residents; contribution to the orderly development of infrastructure; elimination of duplicative or redundant service in a development; as well as others. If these unelected boards are allowed to make these crucial educational decisions without the input of taxpayers or even all of the board members assigned to them, I fear that these guiding principles will not be followed. Our taxes will undoubtedly be increased. We lose local control of our educational choices. Our children won't be effectively represented, and ultimately our communities and the state of Nebraska will suffer. What we want and need is an educational plan that works for all students in Nebraska. If you are going to build a solution to deal only with the Omaha metro area, whether that be a rework of LB1024, the superintendents' proposal which was presented without input from all the metro districts, or adoption of some other bill, I urge you to leave Sarpy County out of it by supporting or including the verbiage in LB91. I personally have a daughter due in about seven weeks, and I implore you do not let her grow up in an educational system that

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does not faithfully seek to meet her educational needs. Thank you. [LB91]

SENATOR RAIKES: Thank you, Kevin. Questions for Kevin? I would just for a point of clarification, the process where any statute is changed is here and it is an open process and you are participating in it. Whatever happens in the way of a plan put together to come to this process can be open or otherwise. [LB91]

KEVIN COMCOWICH: However, if in the drafting of that proposal, which then went to Senator Kopplin to come before this committee, the educational requirements of Ralston, of Bellevue, of other communities in 11 districts are not represented, were not even allowed to be voiced, I think that stifles our input. [LB91]

SENATOR RAIKES: But they are being voiced right now, are they not? Okay. [LB91]

KEVIN COMCOWICH: Thank you, sir. [LB91]

SENATOR RAIKES: Thank you. Next proponent. Megan. [LB91]

MEGAN LUCAS: Good afternoon Chairman Raikes. How are you? [LB91]

SENATOR RAIKES: Good, thank you. [LB91]

MEGAN LUCAS: (Exhibit 7) Committee, my name is Megan Lucas, L-u-c-a-s. Thank you. I am the president of the Bellevue Chamber of Commerce and it is good to see you all today. I am here today representing the Bellevue/Offutt business community. The Bellevue Chamber stands united with our community in support of LB91. Yesterday you heard from representatives of the Bellevue/Offutt community about our concerns by being included in the learning community. I would like to just reiterate that we oppose any legislation that will stifle growth of our community, increase property taxes, and remove local control. LB1024 that was passed in April and the proposed LB547 do just that. It stifles the growth of our community by freezing boundaries, increases property taxes through a common levy, and removes local control. School boards and city councils were elected by the people to address the needs of their school districts and their communities. Please do not drag Sarpy County into a learning community to address problems of Douglas County. Thank you for your attention. Please advance LB91 in support of the citizens of Sarpy County. And, Senator Avery, I would like to address just quickly for you. A couple of years ago, we had a housing development in Bellevue by the name of Looking Glass. And Looking Glass was part of the Springfield school district. And Looking Glass as a development went bankrupt because individuals wanted to build in that area, but they wanted to be in the Bellevue school system. And at the chamber we see a lot of that with housing. Individuals who move to our community who want to be in the Bellevue school system, and they go into different sections that are in Bellevue, but they are just not in our school district. So that happens

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a lot and that also deters the growth and development of some of our land. There are prime pieces of property that would be great for housing developments, and, of course, that generates a lot of revenue. However, those developers want to build developments in the Bellevue Public School system. So that is where we have seen that. Does that help? [LB91]

SENATOR AVERY: Yeah, except that I always thought Looking Glass was a 24-hour command post (laughter) that flew... [LB91]

MEGAN LUCAS: Well, sir, am I addressing Senator Avery or General Avery? But I think that is an important thing, and as I addressed yesterday, you know, the Twin Creek area is an area we see have an explosion of growth, economic, retail growth. And for businesses looking to go in that area because it is a high traffic area, it is a natural place for businesses to go to--traffic drives economic development. But there are businesses who have looked at that location, because the taxes are higher they have chosen other locations in Bellevue. I am happy as long as they are choosing Bellevue. But the taxes, as you know, for any small business it is very important for a small business to take into consideration, and that is where it stifles our economic growth. Especially if it is a small business, and any business in general, the taxes make a significant difference on where they decide to build and develop their future. [LB91]

SENATOR RAIKES: Any other questions? Senator Ashford. [LB91]

SENATOR ASHFORD: And I agree. Your growth is spectacular. Just to follow up on that, the population in Bellevue/Offutt community is how large now? [LB91]

MEGAN LUCAS: The Census will tell you that Bellevue's population is approximately 45,000. The Census does not take into consideration that we have a major military installation. So when we talk about the Bellevue/Offutt population, we take into consideration the 45,000 that the Census indicates, and then we add on another 10,000 active duty military, and, of course, active duty military travel and live with family, so then we add on another 20,000 military dependants, i.e. spouse and children. So take those numbers in consideration, that is a population of approximately 75,000. [LB91]

SENATOR ASHFORD: Who live within the borders of Bellevue? [LB91]

MEGAN LUCAS: Exactly. Yes, sir. [LB91]

SENATOR RAIKES: Any other questions? I see none, thank you, Megan. [LB91]

MEGAN LUCAS: Thank you. [LB91]

SENATOR RAIKES: Next proponent, LB91. [LB91]

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LIN WILLETT: (Exhibit 8) Good afternoon. My name is Lin Willett, and I am testifying in support of LB91. I am a long-term person. I have lived in Bellevue 36 years. I was a teacher for 35 there, and I am here to represent the retired group, RBEA, retired teachers. And I want to talk just a little bit about what does make Bellevue such a unique community. And I was talking to Jan Elliott, RBEA president, she has mentioned that in the task force meetings that people just didn't understand, they had no idea the kinds of challenges that we face in Bellevue. In our city, our new central offices even share a building with the intake center from the Air Force base. It is a one of a kind thing in the whole nation. One-stop shopping for people to come to the base, they find out about what they need for there, and they check the school system out at the same time, whatever they need there. So becoming part of a huge learning community is really not the best option for us. Bellevue has an excellent reputation with the military. During my years of teaching I can't tell you how many times I heard people say to me, you know, we were so excited when we were going to move to Bellevue because we knew that the schools would be good there, and they carry that message. They know where the schools are good and where they are bad in the whole nation. When military people transfer here they expect their children to attend Bellevue schools, not be bussed to some other area, or told that there is not enough capacity for their children in our schools. Military families come with their own set of challenges. Bellevue has a high deployment rate, about 1,000 on any given day. That is 1,000 people with family members that are affected by that deployment. If a school has only one or two of those military students who have been sent elsewhere...my fear is that they are just not going to be able to give them the same level of support as we do in Bellevue, and that the Bellevue military concern will be lost in the shuffle in a huge conglomeration of schools, especially since we lose some of our autonomy to make those decisions through a governing council. During the war, our teachers and counselors have been working with Offutt's counselors on how best to support our children in military families. And Bellevue is a model for other military-impacted schools. In fact, we go out and train people in other military schools about how best to support military children. Just one example, my husband is a coach at Bellevue West, and last year one of our senior boys' father was going to be deployed to Iraq, and he was suppose to leave before the basketball banquet, and we actually moved the day of the banquet so that the father could be there. I am not sure how often that would happen in other communities. I am sure it is hard for other people to understand how different it is for our students to watch the war on TV and worry about a parent or a friend's parent or a brother or a sister. Last summer, we had two Bellevue graduates die in Iraq. Both were sons of staff members. It definitely has an impact on our schools in our community. We just don't feel there is reason to stretch that learning community across the county line and that we are better off dealing with all of these on our own. That is what we would like to do. So we urge you to leave us out of the learning community, and thank you very much. [LB91]

SENATOR RAIKES: Thank you, Lin. Questions for Lin? Thank you. Next proponent

LB91. [LB91]

JANIS ELLIOTT: (Exhibit 9) My name is Janis Elliott, J-a-n-i-s E-l-l-i-o-t-t. As president of the Bellevue Education Association, I represent nearly 600 members. Most of these teachers are taxpayers in Sarpy County. On behalf of these educators, I will be speaking in favor of LB91. This legislation is good for the Bellevue Public Schools, the Bellevue community and for the economic base of Sarpy County. We do believe on the following premises that schools should provide quality learning opportunities for all students, and this should take place under the direction of a local board of education, not a remote group of individuals that really do not understand the needs of the students, the community, and the district. Exemplary achievement is a very important part of the education in all students in Nebraska and especially in the Bellevue Public Schools. It is the responsibility of a local board of education to take care of this exemplary achievement and the opportunities for it. The State Board of Education, we believe, should work with each district to provide the resources necessary to accomplish the achievement goals that are set forth by the state of Nebraska. Merging school district decisions across counties does nothing to alleviate the need for the resources unless one expects the taxpayers of Sarpy County to provide funds for the resources in Douglas County schools. Nebraska's current option enrollment structure, we believe, should provide the framework for voluntary inclusion. It does not make open enrollment work better to provide an extra bureaucratic board to oversee the two-county area. The current open enrollment plan was created to allow school districts to provide programs which would attract students to their district, and many would assume that the Bellevue Public Schools do not face inclusion concerns. We have socioeconomic and inclusion concerns just as other districts do, but through city planning, along with the school board, we have become the only district in the metropolitan area that is not on the No Child Left Behind list. The Bellevue Public Schools have tackled inclusion concerns successfully and now it seems that we are being punished for the high success that we have had. Boundaries across the state, we believe, should allow for flexibility. School districts should be fiscally responsible to the taxpayers and the taxpayers should be responsible to those students. And the inclusion of Bellevue will limit economic development and growth in inclusion of both community and school districts in the larger talks that are necessary to take care of the students. Local control for communities should be automatic, and that is especially true, we believe, when we are speaking of the fourth-largest district in the state and a community that is third in the state of Nebraska in its size. Military students arrive and depart at the Bellevue Public Schools and in my classroom anytime during the year. They need to have flexibility to make sure that there is capacity in those schools, and the learning community will make that decision, not necessarily the local board. Students could possibly in a learning community be required to travel very long distances because they arrive late in the year. That would accommodate 1,000 families, perhaps, in the Bellevue Public Schools at any time due to deployment. [LB91]

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SENATOR RAIKES: Janis, you have given us a written statement of our testimony. We appreciate that. Would you like to summarize any additional points? [LB91]

JANIS ELLIOTT: Certainly. Our teachers and superintendents have not been included in the latest attempt, LB547, of developing the learning community. And I understand that this group and the Legislature... I am honored that you allow us to speak and share the information that we have. I am concerned that the type of representation that Sarpy County taxpayers would expect in a learning community could be like we experienced in the last few months. I respect your work and I do hope that you will consider removing Sarpy County from the learning community. Thank you. [LB91]

SENATOR RAIKES: Okay. Thank you, Janis. Questions for Janis? Thank you for being here. [LB91]

JANIS ELLIOTT: Thank you. [LB91]

SENATOR RAIKES: Next proponent LB91. [LB91]

PAT JONES: (Exhibit 10) Senator Avery, I take my seat. I am one of those people that would not buy a house in Looking Glass when the military sent me here because my children would have been bussed 12 miles to Springfield schools, and I wanted my kids in the local school district. Senators, my name is Pat Jones, as identified yesterday, and I have been a member of the Bellevue school board for 14 years and have served as president or vice president for half that time. I came to Bellevue in 1979 because the Air Force assigned me to Offutt. I stayed here in large part because of the schools. I am also a registered voter in Senator Kopplin's district. Senators, I asked you yesterday to think a moment of your hometown, where you grew up as well as where you live now. Your hometowns and schools instill that same identity, the same memories, the same sense of community. The same thing is true in Bellevue, Papillion, Gretna, Springfield, and other communities across the state. Although Lincoln is large, because it has only one school district, I think the people there also have that same strong sense of community identity. Think about it a moment and I think you will agree. That sense of community and town identity is even proven by what has happened in Omaha. People say they live in Millard or Westside. Yet there is no town called Millard or Westside, and the people that live there seem to identify more with their schools and not with their city or have any real loyalty to making Omaha a better place. What OPS tried to do by annexing the other school districts in Omaha was no different than what every town and city does with SIDs, which is let those who are willing to live there pay the cost of infrastructure down, and then the city is willing to annex. That is simply what OPS did. We all want the best possible education for all children in every community--black, white or any other race. The people in Nebraska thought have a strong history of thinking that local control of their schools is the best way to achieve that. I believe you will soon hear speakers against LB91. They will speak about how we should all band together to help

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solve issues in Omaha. Should we be willing to help other communities if help is needed? Absolutely. Of course. But they are already in existence, avenues to help them--state aid, federal aid, and lots of voluntary things. There are multidistrict groups that meet already, MOAC, MABE board which I set on, the Metro Reading Council, and others, and there are school options. If transportation costs need to be addressed, then this body should address that issue. Those speakers against LB91 will likely talk about a descriptive word called "metro"--metro Omaha, metro area. What really defines metro? With all the traffic in and out of Omaha, perhaps the definition should include Plattsmouth, Fremont, Wahoo, other towns nearby. There is no such legal entity that I am aware of and there should be no requirements to force something like a metro education plan on those of us who are our own cities, our own school system, and our own hometown identities. We in Sarpy County are our own towns and school districts, not like Omaha problem. We have excellent schools and are constantly striving to make them better. The problem in Douglas County should be solved by those in Douglas County. If OPS were one school district like Lincoln, sir, there wouldn't be this problem. However, if that is not politically possible, then apply your fixes to the city of Omaha and the school districts there that have that problem. In closing, Senators, I again ask that you remember your hometowns, that sense of identity you have with them, and why that exists. You would do what is right for you hometowns. Please do right for our hometowns in Sarpy County. Please support LB91. [LB91]

SENATOR RAIKES: Okay. Thank you. Questions for Pat? I don't see any, thank you. Any additional proponents for LB91? Okay. We will move to opponent testimony for LB91. Chuck, welcome. [LB91]

CHUCK CHEVALIER: (Exhibit 11) Mr. Chairman and Senators, I appreciate your time this afternoon. My name is Chuck Chevalier, C-h-e-v-a-l-i-e-r. Just so you know, I am a superintendent that cares deeply about kids, all kids. I thought I would add that after yesterday's session just for the record. I am the superintendent of schools at South Sarpy School District 46 and I represent 6 Douglas County School Districts, and two of the four Sarpy County school districts in this testimony. We oppose LB91. I am glad that the previous testifiers have talked a lot about the boundary issue because that is in my mind the key issue. The second part of this bill is opening the boundaries. I am sorry and I apologize to you. I didn't bring any developers with me, and I didn't bring any people from our community with me. I didn't know I was going to have to defend our school district today, and I feel somewhat attacked by the Bellevue community. We have a good community, as well, and we have a lot of people that would stand up and say that. We have developers that would only develop in our school district. But this is about boundaries and money. Bottom line is Bellevue may experience a loss of funds from the lack of federal impact aid that may occur. To get that money, they need to add assessed value to their landmass, and as their superintendent already said to you, the state aid is at the maximum, they are at the maximum. To get anymore money, anymore revenue if they lose impact aid, which is substantial for their district, they are

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going to have to go to a vote as either a levy override or a bond issue, which they haven't had to do in the past. If the boundaries are open this actually create a tax increase for South Sarpy taxpayers. I have that in the testimony as proof of that. But the mayor talked yesterday about parcels of land that are waiting to be transferred. Those three parcels would experience a 3-cent levy increase the minute they become Bellevue Public Schools land. The last point I want to make is that we want to be a part of the overall metro community solutions to education. We see the interrelatedness between all of the two counties' area. We see the systems approach to working on education is going to be a better approach in the long run. We can't attack these issues all separately. We want to be a part of that, and we wish we would have had the chance to say that to Senator Cornett as she drafted this bill. To us, LB91 creates tax increases for our taxpayers, creates planning problems, and stops two of four districts in Sarpy County in participating in a cooperative venture they want to be in. With that, I will take any questions. [LB91]

SENATOR RAIKES: Okay. Thank you, Chuck. Questions for Chuck? You mentioned the potential need for Bellevue to go to an override. Bellevue is an equalized district, or certainly would be. There is concern that state aid wouldn't make up for whatever loss in property valuation that they might experience? [LB91]

CHUCK CHEVALIER: It is not that the property valuation, the impact aid that they receive now, and the latest data that I had was '04-05, and that was almost \$8 million in their general fund, and a little over \$8 million in their building fund. That \$8 million in their general fund is not added on the revenue side of state aid. So if they lose that, their state aid would not change. [LB91]

SENATOR RAIKES: So that you are saying operationally Bellevue would have \$8 million more to spend than any other equalized school district? [LB91]

CHUCK CHEVALIER: You know one of the things about the testimony you are right about that, Senator, and I don't want to put Bellevue Public Schools down for using this resource that they have been given by the federal government. If the impact aid came to my district, we would use it too. But when that goes away, they become a district that is just like the rest of us. If they want to build, they need to go to their taxpayers, pass a bond. If they want to go over the \$1.05 limit, they need to pass a levy override, and they live with the state aid that they are given plus the revenue that the taxes bring in, just like every other district. [LB91]

SENATOR RAIKES: Okay. Thank you, Chuck. Any other questions? I don't see any. Thank you for being here. Any other opponents LB91? Okay. Is there any neutral testimony for LB91? Okay. Any other neutral testifiers? Okay. Harlan, welcome. [LB91]

HARLAN METSCHKE: Good afternoon, Senator and Education Committee. I am Harlan

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Metschke, superintendent of the Papillion-La Vista School District in Sarpy County, that fourth district that resides in that area. I am testifying neutral for strange reasons. I do have a new board. I have three new board members, and we really haven't had time to talk enough about all of the bills for them to be comfortable supporting one or the other. I guess, the last couple of days, I felt it necessary to testify in this respect because we have heard an awful lot of reference as to how Sarpy County wants to get out of LB1024. We don't want to be part of LB547, and that is not true. That is not all of Sarpy County. We have had one district talking about Sarpy County, and there are three other districts in that county that I know for a fact support LB547. They haven't indicated an interest to get out and do their own thing, and I guess from that perspective I just want to make that clear for our school district. I would be available for some of those questions that I have heard. [LB91]

SENATOR RAIKES: Okay. Thank you. Okay, Harlan. Questions for Harlan? He is tempting you. Comment, if you would, on the...you are an equalized school district in Papillion? [LB91]

HARLAN METSCHKE: Correct. [LB91]

SENATOR RAIKES: You don't receive any impact aid? [LB91]

HARLAN METSCHKE: We do. [LB91]

SENATOR RAIKES: You do receive impact. [LB91]

HARLAN METSCHKE: We do. We have about 800 students that are in the Papillion-La Vista-Offutt community, 800 that are off-base kids, about 100 that are on-base kids. We receive about \$150,000 compared to that number that Chuck Chevalier provided for Bellevue. [LB91]

SENATOR RAIKES: Okay. You do have bond issues? [LB91]

HARLAN METSCHKE: We do. We have passed a number of bond issues, have about an 18-cent levy for bond fund repayment. [LB91]

SENATOR RAIKES: Okay. Thank you for being here. [LB91]

HARLAN METSCHKE: You are welcome. [LB91]

SENATOR RAIKES: Okay. Senator Cornett to close, I believe. [LB91]

SENATOR CORNETT: The first issue that I am going to address that was testified to is impact aid. The previous testimony made it sound like that Bellevue receives \$8 million

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that other school districts do not receive. The reason we receive impact aid is because we are the fourth poorest property tax district in the state. The three poorer districts are the Indian reservations in this state. That is because so much of our land is federal land. We do not have the tax base that other districts do, and that is why impact aid is so vital to our students and to our school district. In regards to Mr. Metschke's testimony that people in Sarpy County--that this was just Bellevue. I have got hundreds of e-mails from people that live in all areas of Sarpy County, the citizens that have written and said that we do not want to be part of LB1024, we don't want to be part of the learning community. I don't mean just in the city of Bellevue. I mean in Gretna, Papillion, South Sarpy. The school superintendents represent the school districts. They are appointed by their board. They don't necessarily speak for the everyday taxpayer, which I have had people from all areas in Sarpy County express the fact that they do not want to be included. And I thank you for your time and consideration of LB91. [LB91]

SENATOR RAIKES: Thank you, Senator. Questions? Senator Howard has one. [LB91]

SENATOR HOWARD: Thank you, sir; thank you. I am wondering when they say they don't want to be a part of the learning community, are they anymore specific, do they give you anymore details of what it is they don't like about that? [LB91]

SENATOR CORNETT: A lot of times it is misunderstanding, and we write an explanation of what the learning community is. Some people do not want, depending on which district they are in, if it is the Papillion school district the increase in the taxes, which I believe would be eight cents under LB1024. South Sarpy, I believe, is going to be 11 cents. Bellevue, it would not affect us. Some people do not like the idea of the super board. They don't feel that they are going to be represented. They prefer to just have their elected school board. We have gotten a lot of letters about LB547 in regards to the override on the lid levies, but that is a bill that is before the committee. That is not something that has been passed. Generally they are happy with their school districts, whether they are Papillion school districts or Bellevue school districts or South Sarpy, and they feel that some of their local control is being taken away from them. [LB91]

SENATOR HOWARD: So it is a combination of anxiety about losing some controls and taxing, property tax increase. [LB91]

SENATOR CORNETT: Taxes are a huge issue. A lot of people in Sarpy County don't feel that we are taxed the same as Douglas County and that we will be subsidizing Douglas County to a certain extent, and that is an issue because of the assessment rates. [LB91]

SENATOR HOWARD: Thank you. [LB91]

SENATOR RAIKES: Other questions for Senator Cornett? Just to clarify, you mentioned

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having a low property tax base in Bellevue. Now that would be the job of state equalization aid to make up for that, would it not? [LB91]

SENATOR CORNETT: I will express my ignorance here. I do not exactly fully understand the formula. I know that we receive impact aid from the federal government based on the property that we do not have on the tax rolls. [LB91]

SENATOR RAIKES: Okay. All right. Thank you, Senator. That will close the hearing on LB91. And we will move to LB473, and we have Senator Chambers. Welcome, Senator. [LB91]

SENATOR CHAMBERS: It's a pleasure to be here, Mr. Chairman and members of the Education Committee. I'm Ernie Chambers and I represent the 11th Legislative District in Omaha. If you look at the language of LB473, it can appear to be very complex, complicated, and in some cases perhaps, convoluted. But when you are enacting a law, the language must take the form of a general law. So to simplify what this bill does, first of all, it will merge District 66 or Westside with OPS, after which there will be the reorganization of OPS, with Westside included, into three districts, each of which will have a 12-member school board because that division will create three new Class V districts. That division will be done pursuant to orders issued by the state reorganization committee. That order will be issued no later than December 31. For all purposes other than elections, that order will take effect June of the following year. For the purposes of election, it will take effect January. And that is to get around the current provision in the law which says that if a merger occurs, the state reorganization committee will appoint the first school board. That's the way it would have been under LB1024. Senator Raikes and I had said from the beginning that when you enact a comprehensive piece of legislation, at a future date there could be modifications. And Senator Raikes has in mind some modifications which are more extensive than I had in mind, but my mind is not closed. This that I'm mentioning here as far as the elections is a modification. The election of these members will take place in the statewide primary. When the orders are issued for the reorganization, there will be the requirement of contacting the election commissioner so that district boundaries can be drawn for the 12 seats within each of these new districts. These people will serve until their successors are elected and qualified--about two years or two years and some months. And after that, the elections will occur according to the current law, which would result in staggered terms. Now, if you're staggering after that explanation, you will be able to read it at your leisure in LB473, step by step, and see it in great detail. But I wanted to touch on that because that's one of the major changes, if you want to call it that. The other is, as I've touched on, the merger...I would say the absorption of District 66. District 66 is virtually surrounded by OPS territory. District 66 is a white enclave in the midst of a minority district. White students have been siphoned away from OPS into District 66, and money follows them. That white flight is subsidized, so naturally District 66 likes to have that happen. Nobody who has lived in Omaha, nobody who has read about what has

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happened in Omaha from the days when OPS was found to have intentionally segregated the schools, anybody familiar with that is aware of the exodus of white people from OPS. And the people who went into District 66 could have had as their theme song, "This land is mine, God gave to me this land." And certain people are not going to set foot in it because when District 66 was carved out in around 1947, they started implementing what are called restrictive covenants. And this is the language...white people don't have to deal with this. There was no time in the history of any group in this society when it was against the law for them to live in certain areas, and if they lived there because somebody sold or rented them property, the seller or the renter could be sued in court and have to pay money in an amount sometimes greater than the value of the property. That's what happened to us in Omaha, Nebraska. And let me read you this inclusive language for the covenants in the area of District 66. "No person other than that of the Caucasian race shall be or become an owner or lessee of any part of this addition or except as a servant of the family living therein be granted the privilege of occupying the same." So if we lived on the place as semi-slaves, that's how we could legally be in that territory known as Westside. And when I called it a white enclave, I know what an enclave is. And while OPS was talking in terms of the racial spin they put on the reorganization of OPS, they didn't mention Westside because Dr. Mackiel is white. Dr. Bird is white. The vast majority of the people in District 66 are white. That is a racially identifiable district created as a white enclave designed to be a white enclave. You know why these superintendents started talking instead of snarling at each other over the fence, insulting each other? When the provision was added to LB1024 to divide OPS. They said uh, oh; we've got to sit down and talk. I caused them to talk. They don't like to acknowledge that. I'm a catalyst; I make things happen. When these superintendents got together and started talking about dismantling LB1024, they said the common levy is off the table--it's off the table. I have something I'm going to touch on from the Omaha World-Herald, and I promised I wouldn't be a long time and I'm not going to take a long time, but I have to get some things into the record. This article is dated December 28, 2006, "An urge to merge Westside, OPS." This is referring to me: The longtime lawmaker from north Omaha said he stands firm behind the law passed last spring that would divide the Omaha Public Schools into three districts. Chambers said the breakup would increase community influence over the school system--local control, as I hear white people call it. And local control is as American as apple pie. White people take it for granted. It only becomes sinister, subversive, and unacceptable when black people say, we want local control also. Then they call it segregation. Chambers said this, but everything needs to be on the table if metro superintendents and other lawmakers want to consider a different approach from the reorganization of OPS. Chambers gave two reasons for putting Westside on the table. I'm reading this because the reporter got it correct. First, he said, Westside, which was formed in 1947 and now is almost entirely surrounded by OPS, was established as a white enclave and is a racially identifiable district. If, as critics contend, OPS cannot be divided because racially identifiable districts would be created, then Westside cannot be maintained as a separate district, he said. Second, Chambers said, a merger would

provide additional financial resources to OPS because metro area superintendents have not endorsed a common tax levy for the districts in Douglas and Sarpy Counties. The law passed last session, LB1024, called for the common levy. Quote from Chambers, "It seems very inconsistent and unreasonable that a white enclave should exist in the heart of OPS as a separate district. As more white students are siphoned off and fewer are remaining for the purpose of, quote, integration, unquote, there is no educational or societal justification for the existence of Westside. Westside Superintendent Ken Bird said district officials would try to discourage lawmakers from supporting Chambers' proposal." Another quote because I'm not going to read the entire column, "Chambers said OPS Superintendent John Mackiel is showing foolishness and shortsightedness by agreeing to the proposals which Chambers said would leave OPS in a worse situation than it was before the start of the controversy." That means freezing the boundaries, leaving those districts ringing OPS, which they said they couldn't live within, and doing away with the common levy. "By giving up the money that would have been available through the common levy, in a sense Dr. Mackiel has participated in the financial execution of OPS, Chambers said." Now, remember, the common levy was taken off the table. Mackiel and Bird said a common levy has not been ruled out by the superintendents. I made them change again and I can show you the articles where they said the common levy is off the table. That's not the way to fund...or finance. They said finances have taken a backseat to student achievement efforts. Mackiel said that a common levy may still emerge as the best answer. Without me, we wouldn't have a lot of things happening before this Legislature that are happening. And I'm going to point out why these things occur. Westside should not exist as it does. And what my bill will do is to take that away and make them a part of the OPS family. I heard so much being said about integration and our coming together. And I'm persuaded; we all ought to integrate; we should. But we need some help from Westside. They're taking away so many of the white children that we need to have integration. So how can my friends from OPS talk so much about integration when that element which is needed is being siphoned away. It shows the hypocrisy, the sham, the hoax of all this talk of integration. Nobody is really interested in that. It's supposed to distract me from pointing out that our children, meaning Latino children, black children, poor white children, Native American children. Why do I say our children? They are all our children, and we have a responsibility to them. And they are failing. OPS is failing them, and any kind of test you want to take or administer will demonstrate that. The only reason they came out of meetings talking about an achievement gap, they acknowledged to the World-Herald, it's embarrassing. Superintendents don't like to admit it, but if we acknowledge it, the Legislature might give us some more money. Don't acknowledge it because you want to close it and do equity for all of these children, but because the Legislature will give them more money to do what with? More of the same? Mr. Lutz is in favor of integration now, although he ridiculed it when OPS was talking about taking over his district, because he said voluntary integration has not worked. The experts all over the country say it does not work. It leaves behind all of the minority children. That is a matter of record and fact. So why do they keep talking about that? Because they don't want to talk about the

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obligation and responsibility to educate all of these children, and that's the only thing that I want to talk about. Remember, as you enter your deliberations, the racist covenants. And by the way, the federal government had to enact a law in about 1968, voiding all of those racist covenants. But the language is still there. And in a sense, it's good because it is so hateful, it is so abasing, it is so demeaning, so degrading and designed to be humiliating, that people might not believe that these good white Christians in Omaha would have that kind of language in their covenants as recently as 1950 if that language were not still there today. And 1950 is not that long ago. One final point: The city council, around 1993, Senator Ashford could probably give a more specific date if I'm in error, had said that OHA could neither build nor procure units of housing within 900 feet of any Section 8 dwelling because the white council members did not want people who live in Section 8 housing to live in their pristine, pure, white neighborhoods. In north Omaha, there are a lot of vacant lots because a lot of white slumlords let the property deteriorate to the point where it was condemned, torn down, and the lots exist, so that's where the new housing will be constructed, meaning that the vast majority of it will be concentrated in that area. People need to live somewhere, so I don't object to that housing being made available. But when you look at what has been done by the officials of white Omaha, the attitudes of the white people in western and what they call the better parts of Omaha, you find the worst, most hateful attitudes and action to back it up. So all that I'm saying is, since Westside is like a white fetus within a minority womb, let it become a part of that which surrounds it. If you have any questions of me, I will answer them after I mention the other part of this bill. There is a section that would require existing school board members and employees to assist in the reorganization to ensure a smooth transition. That is because some people in some of these areas have started in engaging in hanky-panky already to make it as difficult as possible for that reorganization to occur, which lets you know the lack of ethics that they have. Any questions that you'd like to put to me, I'm prepared to answer. [LB473]

SENATOR RAIKES: Thank you, Senator Chambers. Questions? Senator Ashford. [LB473]

SENATOR ASHFORD: Senator Chambers, just for the record, as you know I'm a Westside graduate. (Laugh) [LB473]

SENATOR CHAMBERS: Congratulations. [LB473]

SENATOR ASHFORD: And that...and you're not Senator Lamb, I know you're Senator Chambers, although that's another truism. [LB473]

SENATOR CHAMBERS: Yes. [LB473]

SENATOR ASHFORD: But I do remember that 1993 resolution. I think it was 1991 [LB473]

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SENATOR CHAMBERS: One. Okay. [LB473]

SENATOR ASHFORD: It was 1991. And I can tell you, as you know, that when I became in charge of OHA, we got rid of that rule. We got rid of it by ignoring it, that rule, so that that rule would not apply so that we could, in fact, try to find ways to build affordable housing throughout the community. But your point is well taken. The city council did pass such a resolution. But I might say that those things that I did learn at Westside were the underpinnings that gave me, I think, hopefully the insight to be able to get rid of such a stupid requirement. So I'll leave it at that. [LB473]

SENATOR CHAMBERS: Okay. And I hope that underpinnings will show you the wisdom of our incorporating Westside into the OPS which surrounds it. [LB473]

SENATOR ASHFORD: Well, at least we all have underpinnings (laugh) (inaudible). [LB473]

SENATOR CHAMBERS: Yes, we do. [LB473]

SENATOR RAIKES: Any other questions? I don't see any. Thank you, Senator. [LB473]

SENATOR CHAMBERS: And I'll hang around to see whether I need to close. [LB473]

SENATOR RAIKES: Good. Okay. So, proponents for LB473? Please. Welcome. [LB473]

ELLEN PLATT: Good afternoon. My name is Ellen Platt, P-I-a-t-t. I support Senator Chambers and LB473. To me, the issue truly at hand has always been, is now, and will continue to be about race and socioeconomics, which is a far larger reflection of our society and how we live. It happens to have bubbled up through the education system. And now what happens? I offer the following for consideration. If we are all in this together now and truly want the best for all children, particularly those for whom choice and advantage are not part of their birthrights, and if Senator Chambers has represented a large portion of these children and their families for 37 years, why do so few people support his legislation for what just might be an honest and authentic course for change and success? The issue of school district boundaries and the notion of locking them down, having them remain unchanged, might not that truly be a metaphor not so much for keeping boundaries on land, untouched, but perhaps for leaving the emotional and psychological boundaries of our minds, our comfort zone boundaries just where they are? Don't people have to want to be around people that differ from them in order for integration to be successful? Why aren't we discussing the means to achieving quality education in the buildings in which we go to learn, regardless of the ethnic or socioeconomic mix found there? Do we continue talking about state aid, tax levies,

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integration, and boundaries, because these words are safe, clinical, and can be measured, as opposed to a far more difficult and emotional conversation of race in this city? As far as I can tell, Senator Chambers is the only one I see consistently able to broach that conversation candidly. The notion of competition being a good thing, I understand competition on an athletic field or in business. But competition and feeling good about being the winner when the subject is teaching elementary school-age children how to read and write? I understand feeling pride in particular achievements, communities, and identities. I wonder though, if you feel like you do have a particular type of mojo for success in teaching children, is the idea of others tapping into that, why is that a negative? Thank you for your consideration. [LB473]

SENATOR RAIKES: Thank you. Do we have questions for Ellen? I don't see any, but thank you for being here. [LB473]

ELLEN PLATT: Thank you. [LB473]

SENATOR RAIKES: Any other proponents for LB473? Are there opponents, LB473? Okay. Come on up. How many opponents do we have? Okay. [LB473]

KEN BIRD: (Exhibit 12) Chairman Raikes, members of the committee, for the record I am Ken Bird, superintendent of the Westside Community Schools, and I'm testifying in opposition to LB473 on behalf of not only the Westside Community Schools, but the Bennington, Douglas County West, Elkhorn, Millard, Papillion-La Vista, South Sarpy 46, Gretna, and Omaha Public Schools. The Westside Community Schools were not created as a haven for certain socioeconomic classes, as has been suggested; just the opposite. Our roots come from several small struggling elementary schools no one wanted. The Westside Community Schools board member Scott Hazelrigg will be following my testimony and highlight some of our rich history. As superintendent, I've long support the vision of our board to ensure we provide a great education to every student who wants to attend our schools. And we have made significant efforts to ensure that children throughout the community can have an experience of quality education provided in the Westside Community Schools. In the past five years, the percentage of minority students in Westside has increased from 10 percent to 16 percent, and economically disadvantaged students have increased to 21 percent. And in our elementary schools, they are currently about 26 percent. This directly mirrors the population of Douglas County. You would find great diversity in our schools--not a white enclave. For example, at Westgate Elementary School, 40 percent of our students are minority and 60 percent receive free and reduced lunch. Our option enrollment numbers, which are about 2,000--just south of 2,000--mirror those numbers and mirror Douglas and Sarpy County overall. I also want to focus a minute on...let me go back up to our option students. We are the only school district that pay transportation for parents on free lunch to come to our school. We actively sought to include those parents, by providing transportation costs. We're also proud of our experience with student

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achievement in the fact that our option students mirror our regular-enrollment students. This data is in the handout I gave you. On funding, we have a long history of coming before the committee here and supporting the need to equalize, as well as improve funding for all schools and programs focused on educating our high-need students. Since 1991, every legislative session, Westside has been here and put forth support for our equalization formula. The resource issue raised are valid and have merit, and the best solution lies within studying and redrafting our state aid formula as proposed in LB547; not merging Westside, not a common levy. And there are two other issues I want to clear up first. The allusion that Westside is completely surrounded by Omaha Public Schools is just flat wrong. We have Ralston on the south and Millard on the west. Secondly, Nebraska and Omaha are unique; it's been presented over time that having multiple school districts in a city is unique. I have a handout showing the cities...and it's handout 4 in there...just a short list of cities all over the country that have multiple school districts within their boundaries. The last point I want to make in regard to the role Westside Community Schools has played as a catalyst--and I like that word--a catalyst for educational change and improvement. Part of our mission states that the Westside Community Schools will be an innovative educational system that meets the unique needs of all learners. From early childhood education to all-day kindergarten, to option enrollment procedures, to special education programs and services, to the use of technology in the classroom, Westside Community Schools has been an innovator and a leader. This is the role the Westside Community Schools will play with the implementation of LB547 in each and every element. Our goal will to be model how the voluntary inclusion program, detailed in LB547, can be used to its fullest to meet the inclusion goal of 33 percent as provided in LB547. We're well on our way. We're committed to it and we're going to continue to work on it. The best way to improve education for all our students is to have all 11 school districts in Douglas and Sarpy County continue to work close together, sharing resources, opening all our doors to students from across the metropolitan area. We believe quality education can best be achieve through LB547, which was presented yesterday. It's a more effective and efficient and cooperative approach to dealing with the student achievement gap to funding and enhancing opportunities for all. I urge you to move forward with that legislation and to kill LB473. Thank you, Senator. [LB473]

SENATOR RAIKES: Okay. Thank you, Ken. Senator Avery has a question. [LB473]

SENATOR AVERY: I'd like to take you back to yesterday. [LB473]

KEN BIRD: Yes, sir. [LB473]

SENATOR AVERY: I know that after five hours of testimony, my brain might be a little fried by now. [LB473]

KEN BIRD: I understand. [LB473]

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SENATOR AVERY: But I thought you said yesterday that the common levy was something you could support. [LB473]

KEN BIRD: Senator Avery, we could support it as part of the study, and that was the discussion we had. And you drew my attention to "may be" part of the story... [LB473]

SENATOR AVERY: Maybe study and...probably... [LB473]

KEN BIRD: ...shall be. And we would encourage it to be part of the study. It just... [LB473]

SENATOR AVERY: But now you said you don't support it. Right here it is. [LB473]

KEN BIRD: I don't support it as it stands right here, but going back...I say, let's go back to LB547, look at a study, let's put it in there. And if it becomes the best solution to helping this state, maybe it should be applied to Lincoln and to Waverly and to the Lancaster County area. I don't know. But from my position and the position of superintendents I've been working on, to fractionalize Douglas and Sarpy County off, make them the guinea pig for a common levy, we don't know how it's going to work. We need stability and predictability in state aid. We need the state to step back and look at TEEOSA, the state education funding system, statewide, and work it on it together, and let's come up with the right fix. It may be a common levy. [LB473]

SENATOR AVERY: I can agree with you on that. [LB473]

KEN BIRD: Thank you, Senator. But it may be a common levy, so I don't...if I sound conflicted in it, I just want to defer to that study. I'm not opposed to it. If it's a part of that study and it comes out from it in a thoughtful process. [LB473]

SENATOR AVERY: I've been around long enough to know that if you don't want something, study it. (Laughter) [LB473]

KEN BIRD: Right. (Laugh) [LB473]

SENATOR RAIKES: Okay. Any other questions for Dr. Bird? Would you put net option funding in the same category? [LB473]

KEN BIRD: Senator Raikes, we've had that discussion, and yes. You know, I would have to. Net option funding is certainly something that would have to be included in the study and I think it has to be on the table. I understand the goal to make all districts equalized. You understand our goal, not to have a cliff and a fall-off there. But I think it has to be a part of this study. So, yes, is the short answer. [LB473]

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SENATOR RAIKES: Okay. Any other questions for Dr. Bird? Thank you. [LB473]

KEN BIRD: Thank you, Senator. [LB473]

SENATOR RAIKES: Other proponents...or opponents? We're on opponents. Scott, welcome. [LB473]

SCOTT HAZELRIGG: (Exhibit 13) Good afternoon. My name is Scott Hazelrigg; Hazelrigg is spelled H-a-z-e-l-r-i-g-g. On behalf of the Westside Board of Education, our teachers, parents, students, I want to thank Senator Raikes and the committee for giving me this opportunity to visit with you today in opposition to LB473. The Westside Community Schools serves over 6,000 students in the metropolitan Omaha area today. We are proud of our record of student achievement. Our reputation for education excellence is well known. And through open enrollment, we attract students from all areas of the city to attend Westside Community Schools. Our school district was created in 1947 from three small rural districts. At the time, many of the families in these districts sent their children to Omaha Central High School for their secondary education. As Omaha expanded, it was obvious that these rural schools had to consolidate. The natural consolidation was to merge with the Omaha Public Schools. However, these small rural school districts offered little in the way of property values, Central High was becoming crowded, and OPS refused to take these students. So with the blessing of OPS, these schools banded together and came to this legislative body, which passed special legislation to create the Westside Community School District from the merging of Underwood, Loveland, and Oakdale. For many years, Westside continued to grow in size and academic excellence. As schools districts around us grew and established their own boundaries, the Westside Community Schools eventually became landlocked. Westside boundaries touch today, not only Omaha Public Schools, but also Millard and Ralston. While we can no longer grow from a property standpoint, we have grown in enrollment through the option enrollment law. Each year a number of students, including minority students from east of our boundaries, chose Westside to attend through the option enrollment laws. As a board and a community, we believe that every child in our school should receive a great education regardless of whether they are a resident or option student. We are proud of the education we offer and have always been eager to work closely with other school districts in the metropolitan Omaha area. We provide students who attend our schools with some unique educational opportunities. We were the first district in the state of Nebraska to offer all-day kindergarten for our students. For decades we have offered elementary Spanish. Our high school is the only school in the state to offer modular scheduling, and more recently the one-to-one laptop initiative for each and every student, regardless of their socioeconomic background. This year we added a public four-year-old program to one of our Title I elementary schools. We are a district, that because of our size of 6,000 students, can offer many unique opportunities because we are small but yet big enough to engage the entire community

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in new and innovative programs. As stated yesterday, the Westside Community Schools strongly supports the effort to bring all 11 metropolitan school districts together to better serve the students in our two counties. We do not look at ourselves as an island or an isolated school district, but rather we are excited about the opportunity to work in cooperation with others in Douglas and Sarpy County to benefit all students and their education. Thank you. [LB473]

SENATOR RAIKES: Okay. Thank you, Scott. Questions for Scott? Brad has... [LB473]

SENATOR ASHFORD: Just a couple questions. [LB473]

SENATOR RAIKES: Senator Ashford. [LB473]

SENATOR ASHFORD: Yes. Brad is fine. I rarely...thanks for your leadership, Scott, and also thank you for the efforts that you've undertaken on behalf of some of the programs we've done at OHA, including the Katrina victim fund which provided \$10,000 worth of funding for families that moved into OHA housing. And that was much appreciated. But let me ask you, I agree with you. I think Westside is innovative and becomes more and more innovative under your leadership as president of the board. And I don't know, are you president still? [LB473]

SCOTT HAZELRIGG: Not currently. [LB473]

SENATOR ASHFORD: Not currently. You were president. [LB473]

SCOTT HAZELRIGG: Yes. [LB473]

SENATOR ASHFORD: But...and I think I've asked you this before, but if it would be deemed appropriate to expand Westside's student base by bringing in more children into the district to take the benefit...have the benefit of those programs, would that be something that you would look on positively? [LB473]

SCOTT HAZELRIGG: Sure. I think just as the superintendents have talked about with setting that goal... [LB473]

SENATOR ASHFORD: No, but you now. Not the other...I don't care about the other school districts now. [LB473]

SCOTT HAZELRIGG: You know, Westside look vastly different. I'm also a graduate of Westside High School, and it looks very different from what it looked like 20 years, and I think for the better. And the opportunity to provide students, regardless of where they live in our community, with an excellent education, yeah, we want them to have it in their own neighborhood. If they happen presently to chose Westside High School or any

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other option enrollment opportunity they may have, then we need to embrace that. And I believe this district has done that, and in turn you have folks, whether they be east of Westside, west of Westside, or south or north, who have chosen to come because of what we provide. There are other districts that provide different but also unique opportunities, and those need to be celebrated, as well. I personally do embrace the increase in the number of students that we can provide that type of an opportunity. The existing option enrollment laws allow us to do that. [LB473]

SENATOR ASHFORD: Thank you. Can we...one other...I know I have one follow-up. Could I have two follow-ups? [LB473]

SENATOR RAIKES: Sure. Go ahead. [LB473]

SENATOR ASHFORD: Can we take it to the next level, Scott? Can we open up some Underwood? Can we open up some of the schools that have been closed? Is that a possibility? Is that something that we could look at doing to help ease some of the burden of these poverty children? [LB473]

SCOTT HAZELRIGG: In response to what you're asking, is can we increase our capacity? Can we take more students than the roughly 6,000 that we have today? [LB473]

SENATOR ASHFORD: Right. [LB473]

SCOTT HAZELRIGG: And I think it's a matter of always looking and saying, here's what our current capacity will hold. How do we gauge capacity? And that's a debate that every district and this body is struggling with. [LB473]

SENATOR ASHFORD: But we're special. [LB473]

SCOTT HAZELRIGG: Well, and we need to continue to ask those questions. I think, again, the question is how do you make sure that you provide a terrific education regardless of what classroom a student is in. And we have to continue to ask ourselves the question, what's that capacity? One of the things that we know, especially in the early elementary levels, is smaller class sizes are essential to great learning. And if we chose to take 2,000 students on, then in turn we have classroom sizes that don't reflect that, then I would say that, no, we can't do that and do that well. We can always do it. The question is, can we do it and do it well? I hope that answers your question. [LB473]

SENATOR ASHFORD: Okay, thank you. [LB473]

SENATOR RAIKES: Senator Howard. [LB473]

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SENATOR HOWARD: Thank you. Thank you, sir. Am I remembering correctly that your school system provided an after-school program through the Girls and Boys Club? [LB473]

SCOTT HAZELRIGG: Correct. At our Westbrook site we have a partnership with Boys and Girls Club where we have, in one of the wings of that building, we have an after-school program that Boys and Girls Club runs. And truthfully, that's one of those examples of a partnership no different than what Brad was mentioning with OHA, that we see as essential to the success of our district. Boys and Girls Club provides, in my opinion, a wonderful, wonderful after-school program, and truthfully something that we probably couldn't replicate and improve on. So inviting them to come in and to help us with making sure that our students, those who may have two parents or one parent who's working after school and they would be going home to an empty house, with a terrific opportunity to continue their learning and also be in a safe environment is one of those things that I think a lot of districts look at and do. But we certainly need to celebrate and continue to look for new avenues to do that, so I appreciate you highlighting that. [LB473]

SENATOR HOWARD: Well, I'm glad that you're still operating this through the Boys and Girls Club because I know there was initially some differences of opinion about that, and... [LB473]

SCOTT HAZELRIGG: Sure. You know, I think it's like anything. Any time there's change and any time that people don't have full information, it's hard for them to get their hands around it. And yet, a perfect example with that program, that once parents in that neighborhood and parents whose students were participating in that saw the caliber of the program, and, more importantly, had their sons and daughters coming home and saying, Mom, here's what I did today--this was great. That sort of energy sort of takes over and, in turn, it quashes a lot of questions because people hear great things about what's happening from the mouths of babes, pardon the pun. [LB473]

SENATOR HOWARD: Um-hum. How long has that program been going on now? [LB473]

SCOTT HAZELRIGG: This is the second full year of implementation. [LB473]

SENATOR HOWARD: Okay. And you feel it's very accepted. [LB473]

SCOTT HAZELRIGG: Absolutely. And you know what you're seeing, too, is across both residents, you know, resident students who are participating, I think that the students who are in that program are probably a much more diverse economic base than one would have anticipated if you didn't understand the caliber of the program that Boys and Girls Club offers. [LB473]

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SENATOR HOWARD: Thank you. [LB473]

SENATOR RAIKES: Okay. Senator Avery. Back again. [LB473]

SENATOR AVERY: Thank you, Mr. Chair. How many students do you have in your high school? [LB473]

SCOTT HAZELRIGG: We have right at about 1,900 students in Westside High School. [LB473]

SENATOR AVERY: And each one of those students has a laptop? [LB473]

SCOTT HAZELRIGG: That is correct. [LB473]

SENATOR AVERY: Amazing. Does any other school in the entire state have such a program? [LB473]

SCOTT HAZELRIGG: You know, the schools...and I can't answer specifically. I know that there are other schools in the Midwest that do because we've looked at their school and how they chose to implement that, hoping to learn so that we could make new mistakes versus the same mistakes that were made. I'll be very honest, when we started this program, Senator, as a board member, I was skeptical and I was concerned. And one of the things that put me over the top in terms of choosing to vote for that and to get on board to support that was that at the time I coached a basketball team of eighth graders from our middle school, just as a part-time. I'm not a very good basketball coach; they were much better basketball players than I was a coach. But I talked to them, and I said, tell me how many of you out of ten have a computer at home? And eight of them raised their hand. I said, how many of you have a computer at home and have Internet access? And there were seven. And so what it truly communicated to me was, again, in terms of leveling the playing field, so all students, regardless of where they're coming from and what their home life is, have equal tools to be able to compete against other students. This was an opportunity to level that playing field. I feel very pleased that we were able to do that. I know that that's a unique opportunity. [LB473]

SENATOR AVERY: You should. You should. How did you pay for it? [LB473]

SCOTT HAZELRIGG: A combination of essentially...I mean, this is through our tax levy. But we were looking at a significant...the age of our computers in our high school building were at the point where we knew that we were going to have to invest some substantial dollars to upgrade that technology if we did stand-alone computers, as had been the norm. And so looked at that in relation to the cost of what it would cost to put a

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laptop in the hands of every single student, and realized while it was an increase, we also thought that the beneficial results were significant enough that it was worth piloting that program for four years. And we are in the third year of that program, that pilot program. [LB473]

SENATOR AVERY: So did it involve a levy override? [LB473]

SCOTT HAZELRIGG: It did not specifically. It was a matter of, again, adjusting dollars we would have spent on technology in a different way and shifting things around. But it wasn't something we specifically, in terms of passing a levy override, identified as one of the things that we would do. No, it was not. [LB473]

SENATOR AVERY: Thank you. [LB473]

SENATOR RAIKES: Any other questions? I see none. Thank you, Scott. [LB473]

SCOTT HAZELRIGG: Thank you, Senator. [LB473]

SENATOR RAIKES: Other opponents of LB473? do we have any other opponents? Okay. John. [LB473]

JOHN BONAIUTO: Senator Raikes, members of the committee, John, J-o-h-n, Bonaiuto, B-o-n-a-i-u-t-o, executive director of Nebraska Association of School Boards. We appear in opposition to LB473, and based on a delegate assembly position that our organization has on supporting independent school districts. If I talk about the support for independent established school districts in the metro area, I want to say that can't and should not be an isolation. And I think that Senator Chambers, in his comments, mentioned that he was a catalyst, and there's no question in my mind that he is a catalyst, and there are discussions occurring in the metro area that have not occurred before and will need to continue. And I think the independent school districts there, whether it's working with LB1024 or elements of LB547 that you discussed yesterday, looking for whatever other solutions that the Legislature may have to help schools better serve the communities, the larger community, and the parents in the greater Omaha area with community and parental involvement, closing the achievement gap, serving all children. There are things that, without question, need to be happening better and need to be on the table. And I think that the process is started, and it will be a slow process but it will happen, and the independent school districts will need to work collectively to make sure that they achieve what this body, as policy makers, really sets out for us to do. And there should be measures and check points and opportunities for us to work with you on making sure this all happens. But this can happen. Westside can be a leader and a part of this as Westside, and I would conclude my testimony with that. [LB473]

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SENATOR RAIKES: Okay. Questions for John? John, as a school board association president, moving school district boundaries is just a very, very tough issues. [LB473]

JOHN BONAIUTO: It's painful. It's difficult. We have, as an organization, watched this for years. And any types of reorganizations or boundary changes, it is. That is a...it's like the third rail if I may use that example. [LB473]

SENATOR RAIKES: I guess, just to continue that, it seems that we get the reaction that even if you keep the boundaries in place, requiring school districts to reach across the boundaries in any sort of a formal manner, even though the boundaries remain, is difficult too. [LB473]

JOHN BONAIUTO: It's difficult, but we need to get used to change. Things...I'm convinced that we aren't going to be able to do things the way we've always done them. And so there are some things that we're just going to have to get used to. That's very difficult. Those are hard discussions. [LB473]

SENATOR RAIKES: Okay. Thank you, John. Any other opponents? Is there any neutral testimony? Please. [LB473]

VICKEY PARKS: My name is Vickey Parks. Address in Omaha, Nebraska: 3167 Lincoln Boulevard. And I'm here representing myself as a taxpayer of the city of Omaha, and after I heard the testimony opposing LB473 I could not resist making my comments. And my comments are this: I'm a member of the African American Achievement Team because I believe in putting volunteerism into our community. Dr. Mackiel did not get my permission to take the levy off the table, nor did he call anybody in the African American community to get the levy taken off the table. And one city-one school district was all about equitable resources for our school district. So as an African American Achievement council member and volunteer for OPS, I want it to be clear on the record that we were not consulted in all of these private meetings with these superintendents about their bill or Senator Chambers' bill. The other point I want to make is this: My children, when they got ready to start OPS, I didn't think OPS was good enough and I called District 66. And District 66 would not accept my children because of zip code discrimination. That is still true as long as District 66 resides in the city of limits of Omaha. If we're going to divide the resources for the schools, let's start with the schools, but let's end up with dividing all of the resources--the police department, the fire department, the public works department, the planning department. Let's divide up all of the resources in the city of Omaha, and let's not let our helicopters, that city of Omaha taxpayers pay for, go to Millard when there is a crisis, go to District 66 when there is a crisis, go to these any suburban areas when there are crises. Let's divide up all of the resources if we're going to divide up some of the resources--the educational resources. The other issue that I have is that District 66 and the Omaha Public Schools have not factored in the other district in the city of limits of Omaha, and that is the

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archdiocese where my children ended up going because District 66 was practicing zip code discrimination. District 66 was not interested at that time in recruiting black folks other than jocks. And so we have not talked about this other issue on the table, and that is what parents do in the city of Omaha when they are not satisfied with the public school system. So what I think needs to happen is as long as District 66 gets the benefits of the city of Omaha's resources, District 66 ought to be part of the Omaha city public school district. And so I was concerned about some of this mumbo jumbo that I heard today from these folks from District 66, because those of us from the black community in the city of Omaha, we know the reality, and the reality is zip code discrimination still prevails. Of course, they have the resources to have the programs that are successful. But if we're going to have the city of Omaha be fair, give us Central High School, give us both sides of 72nd Street, and I bet you in five years we'll come up with the kinds of success stories that District 66 enjoys off of our tax backs today. [LB473]

SENATOR RAIKES: Okay. Thank you, Vickey. Questions for Vickey? We'll put you down as neutral-positive on this one. (Laughter) [LB473]

VICKEY PARKS: You can call me...I've been called worse. [LB473]

SENATOR RAIKES: [LB473]

SENATOR PAHLS: Good afternoon. Just to make sure that you understand that there is another committee that's standing down right now because of my attendance here. [LB473]

SENATOR RAIKES: Well, that's only appropriate. [LB473]

SENATOR PAHLS: (Exhibits 14 and 15) That's probably good. My name is Rich Pahls, P-a-h-l-s. I represent District 31. Just a couple things that I would like to talk about. I would approach this totally different than I think a lot of people are approaching it. It's the same thing I did when I happened to have a building. I wanted to get people to come to the building. So we've got to find a way of getting people to want to go to Omaha, the Omaha area schools, or to Omaha Public Schools. Well, last night, or I should say earlier this morning, I was watching...for those of you who do get up early, every once in awhile there are news programs in the morning, and I was watching a program this morning...I alluded to this when I was on the floor today...about Kalamzoo, Michigan. They had many of the same problems that our school systems in our areas do, so they found a different way of approaching it. The superintendent took a very unique way of approaching problems such as are occurring in our metropolitan area. She went to the business people and told them, we need to do something to make this school district a better school district, because it was decaying because of all of the people who were moving out. So it was economic development, this is what they did. A

number of anonymous donors committed to the Kalamazoo school system. They would guarantee children a college education if they chose to work for it. So some of the issues was brought back to the families and also to the children. And I did a Web site, I pulled down the Web site just to give you an idea. They have this so well organized...in other words, if you are in kindergarten and you went all through the system, you would get total college paid for, or postsecondary. That would be a trade school or et cetera. And if you were a 12th grader you would get a portion of it. So there was a system there. So I think we ought to start taking a look at what can we do to attract people to this particular area. And as I said, I did that as a building leader, and to be honest with you, I had children coming from all over. We ended up having more children, I think right now in that building, more children that attend that building from the outside of their attendance area. So it goes to show you the power that people who start taking a look at it a different way. Now, if you choose to say, oh gee, Rich, this is a bunch of fluff, which I do not think it is. I think we need to challenge the business leaders of Omaha because a number of them stood up last year and thought that we ought to move on with what's happening here in Millard. I'd say, let's turn that energy around and maybe provide some money or some input for all the children, because what I keep hearing is we're looking for children achievement, and I'm assuming all. I don't care if you're rich, poor, you look like me, you look like Senator Chambers. It just doesn't matter. We need to work on that. If you choose not to, now I'm going to ask you take a look at this sheet because the newspaper asked me why was I not coming up with some bills. And I said, well, I probably wouldn't get anything out of the committee because of all of the other things that are already in here. So here are some topics that I will be addressing on the floor if you...but I'm asking you to take a look at some of these things before it gets to that point. The first is what I call a performance audit. This is not new to me. States such as Kentucky does this. What they do is an outside independent professionally trained teams...they come in and they audit schools. Now, I'm not talking about the finances. I'm talking about what goes on into schools. They spend a week there. They interview students, they interview teachers, parents, the administrators. And they find out what's happening in that school. So it's not what he said/she said from the outside, it's what we believe what's in the school. Now, you may have already covered some of this because I've not have privy to some of your conversations. But underneath them there are six or seven key points. These are not unique. Anybody in the field of education knows this is what makes good things happen. Okay, let's say that, you know, you think that's too costly. In fact, I talked to the newspaper. They said, gee, Rich, this is going to cost a lot of money. Not any more money than we're spending on attorneys. You turn that attorney money, use that money and spend it on something like these teams coming in. And they are not just there to check and see what you're doing wrong because you'll find out we have an awful lot of teachers who are working their tails off. They're really working hard. And sometimes I get frustrated when I hear they're lacking. It's in any profession, we do have people who need to be better trained. But that's I would say would go with any profession. The next thing is the school-based decision making. I can assure you that if parents truly feel they have an involvement in that local building, that

they're going to be very involved. They need to feel that we're listening to what they have to say. And I think there are all kinds of situations how that can be handled, to a very, very rigorous situation, to one that's more laissez-faire. I would propose that we need a rigorous involvement of the parents. When they do say, they have a decision and you may want to use the word, a vote, on lots of issues that happen within that school. Because I think once they start trusting the people, the educators in the building, great things will happen. And I did give a couple other examples there. The fourth one I would like to have you take a look at is where do I go if I don't really trust the administration or the teachers? They need to be able to go to somebody out there who's not related to the school system, and as I was saying, a school district ombudsman. It's a place where they can go to, somebody they can really trust. So I think that's another thing we ought to be thinking of. And lastly, the utilization of resources. I know there's a feel that we need more money, and I know we need more money in education--I truly do. But I think people are questioning if it's getting to the classroom. And a number of you who were here last year, you can remember about every day for a number of days I put on follow the money. I think we need to take a look at the schools and hold them accountable, the school districts, and make sure that money is getting into the classrooms. And there are, I'm sure, many valid reasons why some of the money does not get into that classroom. But we know when that money trickles down to the classroom and to that teacher, differences will be made. And I think if you take a look at what all the school districts are doing, and saying, hey, why is this school district being more successful maybe than this one, seeing where the money is going and how they are spending the money. Each district has its own personality, they have their own needs. And some of them are quite unique to others. That would be the answer why they may be spending money in certain ways. I know you guys have lots of things to do, so I will wrap it up there. [LB473]

SENATOR RAIKES: Thank you, Senator. Senator Ashford has a question. [LB473]

SENATOR ASHFORD: What's your two-day committee? [LB473]

SENATOR PAHLS: Banking. [LB473]

SENATOR ASHFORD: Do you want to trade? (Laughter) [LB473]

SENATOR PAHLS: Well, today, I tell you, some of the questions get really technical. [LB473]

SENATOR ASHFORD: I mean these are good things. It would have taken me a number of years to come with these, and you did it like this morning. [LB473]

SENATOR PAHLS: I've lived this life. [LB473]

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SENATOR ASHFORD: I know. [LB473]

SENATOR PAHLS: And I believe...I know it can be done. [LB473]

SENATOR ASHFORD: And with a little cash, we can...no, I'm kidding. No, I'm talking about the trade. Nevermind, Senator. [LB473]

SENATOR PAHLS: Okay. (Laugh) Thank you. Any other questions? [LB473]

SENATOR RAIKES: Yes, Senator Avery has one. [LB473]

SENATOR AVERY: Are you talking about an ombudsman in every school or every district or what? [LB473]

SENATOR PAHLS: Well, it could be. That could be a decision the committee could say. Do we need one for, like the...? [LB473]

SENATOR AVERY: Every district maybe. [LB473]

SENATOR PAHLS: Every district, maybe. Or like an ESU or...I don't want to put the parameters on that. It could be for the metropolitan area and it could be some areas say we don't even need, we can handle it. But I'm saying where there are distrust issues, we need to get rid of that. And the way we do that is have somebody that they can talk to. And to be honest with you, I've had constituents call me up, and I have referred them to our...the person in the Capitol, and they've been very helpful. [LB473]

SENATOR AVERY: I like that idea. [LB473]

SENATOR RAIKES: You mentioned parents and teachers must have a voice in governance at the building level. [LB473]

SENATOR PAHLS: Right. Well, it depends on how sophisticated you want to become. It could be...there are some school districts, and I know Chicago is not a good...because I've even talked to people who have dealt with the Chicago plan, but where the parents and the teachers have an awful lot of input into hiring procedures, they interview. I know in some school districts right now that the parents are very involved in the interview process of an administrator. And if...once they understand the goals of the school and what you do is you evaluate those goals, and the parents are very understanding of it, you will build that trust up. And you must give them some power, if it's a school improvement team, which sounds good, but I don't think there's enough meat in that. There are a number of schools that have done this. [LB473]

SENATOR RAIKES: In the metro area? [LB473]

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SENATOR PAHLS: Well, I'm sure there are a number of schools that have school improvement teams. The sophistication of it, I don't...I can't tell you on that. [LB473]

SENATOR RAIKES: But a voice in governance at the building level. [LB473]

SENATOR PAHLS: Right. [LB473]

SENATOR RAIKES: In the metro area? [LB473]

SENATOR PAHLS: Oh, no. I...well, here's a prime example. The building budget...in some schools I know that the parents are very involved in how that building budget is utilized. And there are, in some of the buildings there, where they are in the interview process of...they're not in, like the termination process, but in the interview process. []

SENATOR RAIKES: Okay. [LB473]

SENATOR PAHLS: I know that for a fact. [LB473]

SENATOR RAIKES: Okay. [LB473]

SENATOR PAHLS: I lived part of that. [LB473]

SENATOR RAIKES: Thank you for being here, Rich. [LB473]

SENATOR PAHLS: Thank you. Appreciate it. [LB473]

SENATOR RAIKES: On back to Banking. Yes, sir. Come on up. [LB473]

WILLIE HAMILTON: I'm neutral. I'm a little bit nervous. My name is Willie Hamilton, H-a-m-i-l-t-o-n. I have three kids in the OPS system. And I'm sitting back here and I'm a little bit perturbed at what seems like a lack of getting to the point, which is all our kids' education. It shouldn't...no one is going to tell me that because I live at 68104, that my daughter or my son is not entitled to the same education that you guys have out in Millard and those other parts. I hear this one gentleman talks about everybody got a laptop computer. I hear other people talking about economic development and houses and all these type of things, but yet we don't have that in North O. We don't have the same resources for our kids to get the proper education. But you people are not addressing that. Here, I hear people talking about your own interests, and it's not about you. It's supposed to be all our kids getting a proper education. And that's why so many people are disenfranchised with you, because, guess what? Now you're holding my kid hostage because you can't get it right. You people had a year to come to the table to address real issues, and you have not done that. So I'm sitting here now, saying, look,

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you know, I've had a responsibility not just for you people where you people live, but where everybody lives. So until you people come to the table as a group and address this as a group problem, we're still going to be running into the same problem you're running in right now. And I'm telling you right here and now, my daughter and my sons have the same expectations that all you people kids do. We need to fix this problem. You need to address and start addressing real issues, which is race, which is class, which is economics. They're not doing that. They're sitting up here, arguing back and forth about money, taxes, all those things, or things like that. The thing should be about education; it shouldn't be about the cost. That's why we have fallen behind just about every other culture, because I've got it all twisted. Here we've got my kids sitting back here watching you all--watching you all. And the example that you all are setting that because where you live or the color of your skin, you're better. That's wrong. That's totally wrong. You people have a responsibility, and the rest of the country is looking at you. You all need to get it right. [LB473]

SENATOR RAIKES: Thank you. Questions for William? Help us out, with your own experience with your kids, where is the system going wrong now? [LB473]

WILLIE HAMILTON: I don't put my trust too much in the system per se. I'm a hands-on parent. I make sure that my kids go to school. I make sure they learn about black history. I make sure because I'm a hands-on dad. So I don't really leave it up to the school because you people, you ain't got it right. That's why we are in the situation we're in right now. I'm not going to leave it up to you. What about other kids? How about other parents who don't have the ability to be at home to take care of their kids and they leave it up to you to get it right? But you're not doing that. We are lagging behind because you people can't come together. And if our politicians can't come together, how do you expect anyone else to come together? I think that the best thing that ever could have happened was what Ernie Chambers did, because now he's got you people talking. But you guys got to go beyond that; now you all have to commit--action and have a plan. Because guess what? The majority of folks are ticked off at you all. Believe that. That's why we're so disenfranchised with the government, because you people seem like you are so disconnected from us and what we want. I'm just like everybody else. I want my child to have the same education irregardless of where you live at or how much money you make. That should be the role of every one of you guys. Well, it ain't that. It's about economics and houses and all these type of things. It's supposed to be about the education of our children. That's supposed to be the biggest and the main focus. And that's why we are lagging behind every country, because you people ain't got it right. So I'm hoping for the future of not only this state, of this country, that you people sit down--sit down and get it right. [LB473]

SENATOR RAIKES: Okay. Thank you for being here. We appreciate it. Are there any other neutral testifiers? Senator Chambers. [LB473]

SENATOR CHAMBERS: Perhaps you all can get an inkling of why I'm very proud to represent the constituency that I do. We are joined, not just by color, but by point of view and experience. And we have seen our children cheated and cheated and cheated. As Ms. Parks pointed out, Westside and other white districts have not been adverse to recruiting black athletes. They like that. Universities, knowing that these young men were cheated, will find a way to get them into their universities and keep them eligible until their athletic eligibility runs out and they have no further use for them. And they say, well, you can't pass these courses. And our kids are practical. They say, look, I wasn't passing the courses since I've been here. I've been here four years. I've been playing hurt. I've had strains, I've had sprains, I've had broken bones, and you wanted me to play because you needed me. You gave me medication, as you call it, so I can play and not feel that pain. You didn't make me go to a class. You had people doing assignments and signing my name to them. And you can't make me think that the teachers didn't know that I was not the one doing that work. You can't make me know that the coach didn't know. I have watched the teachers, the coaches, the administrators, the boosters, the fans, cheer like they're crazy when I'm out there running the ball, and they know that I'm not able to do this work. And now that my eligibility to run the ball, kick the ball, throw the ball, catch the ball, is over, you are going to throw me out. I don't have an education. I can't make it in the pros. Look what you've done to me. And you wonder why I don't like white people? You wonder why I don't speak of America as my country? I don't call the president, my president. I know you used me, but I thought that in the process I might develop enough ability, show enough promise so the pros would give me chance. And they didn't give me a chance just like you didn't give me a chance, and now I have to go out here and make it the way that I can. And I can't make it because I can't read so I'm going to take it. And then you all will say, boy, those terrible black people. You all have exploited us from the time we've been in this country. And it goes on to this very day. You know why OPS likes to have a lot of black children in the schools? Because they bring money. They put a lot of black children in special education classes. They're not diagnosed. But kids in special education bring more money to the school district, but that money is not earmarked by the state so it's not spent on the children who bring it there. Children learning a second language--English as a second language--bring in more money, but it's not spent on those children who bring it. They're the cash cows. When these white people like Suzie Buffett who is doing missionary work is going to build a school, where do they put it when they name it after her mother? Way out there where the white people are. Superintendent Chevalier, meaning well, talked about some kind of school at UNO, and said, why don't we build a school right next to that building on campus and bring the kind of children I'm concerned about and reserve, out of those 400 seats, 100 and something for these disadvantaged children. First thing, Cindy Grandberry who works in my office said, how about reserving all of those seats for these children and how about putting that school in our area? And if it's so good, let those white people come where we are. That we always have to go trucking where they are. Westside has a campus that they're very proud of for their high school, and I believe they have an alternative

high school, which they never talk about. Who winds up in the alternative high school? I've had white parents talk to me about it. Slogans are put on the wall, and that's where the children who would bring down the reputation of Westside go. And some of them have asked me to intervene, and I tell them, Westside if not a part of OPS, and if they're not going to listen to you and you're a patron there, they're not going to listen to me and I'm not going to waste my time, but you ought to publicize it. So when they come here talking about how great the education is, they don't tell you that there's an underside to the Westside garment too. And the children who are not desirable are handled in a way similar to that in which they're handled by OPS. They brag about their laptops for every student. And when I talk about the fact that there are schools in Omaha where the children don't have textbooks, white people don't get excited. It makes no difference. How is a child to learn without a textbook? And when one parent complained, do you know what she was told? Well, textbooks aren't really that important because it's what we talk about in the classroom. But they don't say that when they want to make sure that there are up-to-date textbooks in all the schools where white children go. I'm talking about North High. Then those teachers got together during school time, on the clock, and put together what they called a parody, ridiculing Martin Luther King's "I have a Dream" speech, and that's all white people know. Martin Luther King said, "I have a dream." Well, what was he dreaming about? Well, all Gods' children, black and white, are going to get together and you judge them by the content of their character and not the color of their skin. And that's all they know. Nothing else. But these white teachers at North ridiculed that speech. And in the process, they ridiculed me. Said in their parody that I don't want black children to have an education. These are the white people sent by Mackiel down to educate the children in my community, ridiculing me and saying I don't want those children to have an education. Do you all believe that? And you know the kind of language they use in it? Crap. And when the World-Herald talked about the parody, they didn't put that they said crap and screw. The teachers said that I want to screw our children. I don't screw children. Catholic priests do that. And I resent it. And Mackiel and his school people did nothing about it. All those teachers are still there in our community. If we went in there and dragged them out, what would everybody be saying? But that's what happens in our schools. A librarian took an almanac, hit a second-grade black kid on the head with the almanac, and the kid cried. A complaint was made. That librarian is still teaching or still at that black school. A principal and a security guard at Sunny Slope Elementary sat on an 8-year-old black girl, choked her, pushed her face into the carpet, laughed. And Mackiel said that is appropriate and that's how the child should have been handled. You let a black principal and black security guard put a young white girl on the floor and pull her arms up behind her back and push her face into the carpet, you all know what would happen. That's what happens in OPS. And I'm supposed to go along with it and say let these same white people keep having control over our children? But I want integration now. I want Westside to be a part of OPS. Westside is talking about how great OPS is; don't reorganize anything. Their whole plan is status quo. Well, if what OPS is giving is good enough for our children, let those white kids be a part of OPS. But they don't want to be a part of OPS, do they,

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while talking about how great it is. And I'm glad Brother Hamilton came up here and talked to you all. You need to understand that there are people who are watching and listening, and thanks to television they can see it firsthand in real time, how calm white people are in the presence of the problems of our children. I'm going to wrap this up very quickly. I've got to do it. I watched Superintendent Bird, and he reminded me of Fred Astaire when he was asked those questions about the common levy. He tap danced all around that issue and he faltered and he hesitated, because you got him. Oh, you got him with his own words. He did such a job of tap dancing that if I were to stretch a keyboard from the Atlantic Ocean to the Pacific Ocean, he would have pussyfooted across that entire keyboard without striking a note. But they get away with it. He says it and it's forgotten and it goes away. They have Huckleberry Finn that these kids have to deal with in the classroom. And that book, white people love. I don't know what they're trying to teach these white kids with that book, but I know they humiliate black children. And parents are upset and they've come to me. I've corresponded with Superintendent Bird. They were going to make the kids write a justification in defense of it in the classroom and discuss it. And I talked to an assistant principal at this great high school he's talking about, and that was taken away but it's still a part of the curriculum. They use that N word in one of the paragraphs over a dozen times. You wouldn't have...see, kike and Heb are demeaning words for Jews. You think they're going to have a book where it's loaded with the word Heb and kike? Honky? Redneck? White trash? No, the white kids' delicate psyche can't cope with that, but you can use the N word, the most degrading, hateful word in this language. And those black children at Westside where they have all of the diversity, the open arms for the black children. Come here and we're going to teach you that you are an "N-Jim," and that's a part of the curriculum. What are they trying to teach these kids? Is the lesson that they're trying to teach these kids, teachable only through something like Huckleberry Finn? Black people have never called that great literature, but white people cling to that like they cling to life itself. They always have to have it. They've got to. Nothing else will teach these white kids what they want them to know. And I want to remind Dr. Bird that I said Westside is virtually surrounded by OPS territory. You all who come here against LB1024 must realize that the chairman of the committee put a lot of time into that, and you all don't understand politics. Here's the way I'm going to end this: Asking Senator Raikes to throw away all of that work he did, and anybody can use this little rhyme for their purposes, it's like asking Shakespeare to destroy every play, asking the sun to abandon the day, asking Louis Armstrong to trample his trumpets, asking Miss Muffet to forswear her crumpets. If you have any questions, I'll answer them. [LB473]

SENATOR RAIKES: (See also Exhibit 29) Thank you, Senator. Any questions for Senator Chambers? Thank you for being here. [LB473]

SENATOR CHAMBERS: Thank you for your kindness and your attentiveness. And I want to thank Dr. Bird for his support. (Laughter) [LB473]

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SENATOR RAIKES: Thank you. That will close the hearing on LB473 and we'll go to LB558 and Senator Ashford. Whenever you are ready, Senator. [LB558]

SENATOR ASHFORD: Thanks Mr. Chairman. Brad Ashford, Legislative District 20, and hopefully, Mr. Chairman and members we can move through this bill fairly quickly. The point of all of this, the reason I introduced the bill, is to present to the committee some factual information about housing patterns in the city of Omaha, and I would say that it would be up to the committee members to draw their own conclusions from what I am presenting. I am not advocating anything in particular, but I think it is information that is helpful, and what I am asking the committee to consider doing is to include in LB1024 as we go through it, include some of the housing patterns, some of the information regarding housing patterns, and some of the ideas that are out there today in the state that can help ease some of what is clearly a condition of very, very heavy overconcentration of poverty in primarily north Omaha. At least proponents, as far as I know there are three testifiers. Stan Timm is the executive director of the Omaha Housing Authority, a former city finance director of the city of Omaha for a number of years; Michael Maroney who is here representing NIFA; and my star witness Elaine Adams who is--not that you are not a star, Stan--but the real star, Elaine Adams, who is the principal of Boyd school. Just a little background, Boyd school is located on 87th and Boyd in northwest Omaha, and is a school that was part of what is called the Keystone affordable housing development in Omaha. It was a housing project that is now completed with 41 new homes with families who were living in some intense poverty situations that have moved into the Keystone area, and I think the story that Elaine will tell us is really an illuminating one about how education and affordable housing works together. I am very proud of what she has done in the community, and I am glad that she agreed to be here. With that, Mr. Chairman, we do have some charts and I think Mr. Timm is going to talk about those. And with that, I would go to the witnesses. [LB558]

SENATOR RAIKES: Okay. Thank you, Brad. Any questions for Senator Ashford at this point? I don't see any. Thank you. [LB558]

SENATOR ASHFORD: Thank you. [LB558]

SENATOR RAIKES: Okay. First proponent. Welcome. [LB558]

STAN TIMM: (Exhibits 16-19) Good afternoon Chairman and members of the committee. My name is Stan Timm, T-i-m-m. I am currently the interim director of the Omaha Housing Authority and don't ask me how I follow a legend because I don't know. Senator Ashford knows more about OHA by far and he served that entity for years and years as a board member and also as an executive director. What I am going to do is I have asked the page if they can hand out a number of things and really my testimony is going to be mostly visual. My testimony is going to be mostly visual because I think that

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the visuals that we have here today really speak a thousand words and it will save you folks some time and it is something you can take with you to really ponder how we are situated in Omaha. The first map that is up on the board, and you will be getting a copy of this exact map in a moment, is the vouchers, and you can see the concentration of vouchers. If I may step over here, Mr. Chairman. This side of Omaha which represents the northeast sector. [LB558]

SENATOR RAIKES: Actually, the only problem with that is our transcriber can't get your... [LB558]

STAN TIMM: Okay. [LB558]

SENATOR RAIKES: So if you could just stretch your arm out and reach over there while you are... [LB558]

STAN TIMM: Okay. I can certainly point to it. It is on the far upper left hand corner that you see the communities of north Omaha, Florence, and north-central Omaha, and this is where the concentration of Section 8 vouchers. In other words, private property owners who receive a subsidy for their units through OHA. The other visual that I have up here, and the other map that you will be receiving, and this may be a little harder to see here on the board, but it is actually the public housing and affordable housing in the city of Omaha. By the way, the Section 8 voucher program, there is approximately 4,000 vouchers in that program currently. The public housing portion of the program that we have in Omaha is nearly 3,000 units, and by public housing I mean the units that the Omaha Housing Authority manages, leases on a day-to-day basis, repairs, maintains, and puts in the capital costs. Again, you will notice that there is a heavy concentration near the title "North Omaha," and then down to the south of that along highway 75 there is a heavy concentration of the public housing units. So I think what we are trying to point out here is that there is an area of Omaha, and it is north primarily, that is very heavily concentrated. The other thing that I would like to point out is as you get into this pamphlet on the demographics, just to be brief. What this means is in public housing is the level of poverty and to demonstrate that, I would just like to point out that over 90 percent of our tenants, of our lease holders are below 30 percent of median income. Let's put that into numbers. If median income is \$40,000, that is \$12,000 a year. Now we can try to raise median income for everyone to \$50,000, but what does that do for this person who is below 30 percent of median income? It would simply raise them to \$15,000 a year. There is a real disparity here on what they are able to do. One of the things that OHA has tried very hard to do deconcentrate this housing. But it comes back to support systems. These people want to live near their family, near their friends, the areas where they can get support, and that really makes sense if you think about it. If you have an average median income that most people have, you can be more independent. But if you are at this very low poverty level of 30 percent of median income, the support system of family and friends is very important. [LB558]

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SENATOR RAIKES: Stan, I am going to stop you there so we can turn the red light off and then ask you so, again, you have to be at what income level in order to qualify for this housing program? [LB558]

STAN TIMM: You can be at a higher than 30 percent. You can go up to, I believe it is about 60 percent of median income. But my point is we are actually housing the poorest of the poor because we have such a high concentration of people under 30 percent of median income. [LB558]

SENATOR RAIKES: And if you would characterize are these typically families, single people, single... [LB558]

STAN TIMM: It is a combination. There are some single people. There a number, as you go through this book, you will find there is a number of disabled people. We have elderly. We have a lot of single-parent families that have children. There is a lot of children involved here. We are probably looking at a community as best we can tell of about 17,000 people, if you can kind of size that with some city. We are looking at a community of about 17,000 probably. [LB558]

SENATOR RAIKES: This would be 17,000 people whose income is less than the 30 percent... [LB558]

STAN TIMM: Ninety percent of those have, yes, less than 30 percent of median income. Fairly dramatic, I would think, in anybody's mind, about what these people, the poverty level that they exist at. One of the things that you are going to hear from another proponent of this legislation is some of the things we have done and as somebody else mentioned, I believe it was Senator Chambers, with the vacant lots in north Omaha, we have built a number of new properties there. We want to continue that as an agency. We want to try to give uplift to these people through having better properties that they can live in. However, this is still not going to deal with their social economic situation of having low incomes. The other thing that we have tried to do, and the 1991 resolution was mentioned by the city council that they passed, we have tried to move in further into west Omaha, and we have built 37 public housing units at 87th and Boyd, which is west of 72nd, obviously. We have also purchased some apartments in the area of midtown, closer to 76th Street. So we are trying to make inroads into having housing opportunities and choices for these folks. But I think that in any consideration of the school legislation has to come back to where these folks currently live and how they got there. One is because of low income. Two is because decades ago, a majority of the public housing, this is the seventieth year for OHA, the majority of the public housing was built in the eastern side of the city, and these people at 30 percent of median income really have no way to escape from being in a good support system and escape this housing. That is my message. I also have letter here that as signed by our board

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chairman in support of this bill, and I would ask you to very carefully read over the demographics and take a look at the maps, and if you have any questions at this point I would be happy to try to answer them. [LB558]

SENATOR RAIKES: Senator Adams. [LB558]

SENATOR ADAMS: Maybe this is not an appropriate question. It is a request of you, Senator Ashford, this map in particular that shows the concentration of housing here, I would like to see this map with the elementary, middle school, and high schools identified on it. Could we have that? [LB558]

STAN TIMM: Okay. [LB558]

SENATOR ADAMS: Thank you. [LB558]

STAN TIMM: Yes, we would be happy to provide that. [LB558]

SENATOR RAIKES: Any other questions for Stan? So the proposal is to include housing in the effort of the task force to look at diversification and integration. What, in your opinion, would be the options available to that task force? What would be the possible action steps? [LB558]

STAN TIMM: Well, I would look at allowing these folks to live where they are comfortable living. What does that leave? It leaves the money issue. The resources have to be there. That becomes kind of the bottom line is the resources and how they are distributed throughout the metro area. If you had unlimited dollars, you could probably tear down all of these older living units and built the public housing somewhere else, but that is really not practical because there is not enough dollars. And then you are forcing people maybe to live where they don't want to live. In our deconcentration program with Section 8 vouchers, we try to encourage people to move west of 72nd Street, and they will do that in order to get that voucher. But within a year, then they will ask for a transfer and they want to come back to their community because of the support system that they have. So it really boils down to the resources. [LB558]

SENATOR RAIKES: Okay. Senator Adams. [LB558]

SENATOR ADAMS: Does that same logic then apply to schools? They may go west but come back to be centered around a particular school that they feel comfortable with. [LB558]

STAN TIMM: Well, I would think so. I mean school is such an integral part of one's life that I would think that would be true. So going that direction and down that road you get back to resources. And as we have thought about it at the housing authority, that is

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where is all comes back to. [LB558]

SENATOR RAIKES: I don't see any other questions, thank you for your testimony. Next proponent. Welcome. [LB558]

ELAINE ADAMS: Hi. I am Elaine Adams, 5139 1/2 Raven Oaks Circle, Omaha, Nebraska. Do I give my zip code? I didn't hear that. Zip code 65152, and I am the principal at Body Elementary School in Omaha, Nebraska. [LB558]

SENATOR RAIKES: The map is gone. I wonder if you could show us where that school is? [LB558]

ELAINE ADAMS: It is on 83rd and Boyd. [LB558]

SENATOR RAIKES: Okay. [LB558]

ELAINE ADAMS: Just east of 90th Street. It is right up in here. [LB558]

SENATOR RAIKES: Okay. Thank you. [LB558]

ELAINE ADAMS: Right up in here. [LB558]

STAN TIMM: The Keystone neighborhood. [LB558]

ELAINE ADAMS: Senator Ashford asked me to come and speak to you. I pretty much do what I do at the schools. But I am on this particular supplement and I was kind of thinking what would I talk to you about, and he and I have visited often prior to the completion of the Crown Creek housing development which is two blocks from Boyd. And initially, I contacted his office because as the principal at Boyd seeing the homes, the development in progress and seeing the homes being built, I wanted to make sure that we were ready for the children because I figured well, wow, if those houses are completed, we are going to have an influx of students and I wanted my staff to be ready. Boyd has an exemplary rating on the state report card for both reading and math, and our writing scores are very good. And so I wanted to make sure that that continued on and in every belief that it will. It is just what you do. And I want to say I took a few notes, and I want to just tell you what I inherited at Boyd. I am hearing all of the talk about Omaha Public Schools and the things that are wrong with Omaha Public Schools. First of all, I am an Omaha Public School graduate. I graduated from North High School, and I lived in north Omaha and I grew up in north Omaha. I am also a graduate of Doane College and a graduate of Lesley College through an outreach program. My brother, who owns his own company, is not a graduate of Omaha Public Schools, but he attended Omaha Public Schools and then attended an alternative school, but he is not the CEO of Risk Management Solutions based out of Chicago, Illinois, with major

contracts in, it is an insurance cost containment company, with major contracts in the city of Philadelphia and other cities. I have a sister who is, again, Omaha Public School graduate and OPS from kindergarten through 12th grade, and we all lived in north Omaha, who is a manager at the reservation center on North 90th Street in Omaha. I have another sister who is a graduate of Omaha Public Schools who is an arbitrator for the St. Paul Companies. OPS didn't do so bad by us. They didn't. But I also believe that part of that was heart and soul of people who wanted us to do well, and I also know that in Omaha and in north Omaha, which I still reside in north Omaha, Raven Oaks is north Omaha. But I see a lot of good and really that is what I was taught to do growing up. And I see a lot of good at Boyd, and I know that there is history in terms of the controversy that...I wasn't a part of that. I have only been principal, this is my second year, but see a lot of good in what Boyd had to offer as I walked through those doors. And I want to tell you a little bit about what I inherited. I inherited a pretty plain-labeled school, but it has an exemplary rating on the state report card. I don't have a huge budget to work with. Most of my budget goes to staff. My discretionary funds are quite limited. I inherited a school with an enrollment trend that is climbing steadily and has climbed steadily since 1995-96 school year. I inherited a school with a consistent poverty rate in the 30-40 percent range since the year 2001-2002. That is slightly higher than the state, about 2 points higher, and it is 24 percentage points lower than the district's. So it stands out in the district. I inherited a school with a mobility rate that is consistently lower than both the district and the state. I inherited a school with strong consistent overall scores, as I said, on district and state required assessments. I inherited a school with a strong, vibrant parent association. I inherited a school with strong business support. Our Adopt-A-School partners include the First National Bank JCs, Marriott Reservation Center, a franchise of Godfather's Pizza, Matt's Grill, a franchise of Golden Corral, a franchise of Car Star Automotive Center, and growing because we reach out. I inherited a school with a growing minority population, 32 percent. As housing patterns play out, both naturally and mandated, I depend on this community. I depend on my staff to welcome them into the schools. I depend on those who are custom to being solicited to be involved to mentor those who have historically not been solicited. I call those our historically unsolicited parents and community volunteers to be a part of Boyd. There must be enough trustees to hold me and all of Boyd staff to the stewardship of our children's education. We do that by the number of people that are in and out of our building purposefully, not like a watchdog, but they have a reason and a role to be there, whether it is to listen to children read, whether it is to help out with the track meet, whether it is to cut or run off things. But being there, we have lots and lots of eyes watching and lots and lots of eyes and ears holding us accountable. Parents are welcome to come in and have lunch at any time. Parents come in and they assist with breakfast. Parents assist in being the watchdogs. They tell me when the grass isn't cut on time. They really do. And I said to Mr. Ashford in our first meeting that it has all the ingredients. The dollars aren't there. I will be first to say that. But all the other ingredients in terms of heart and soul, it is there. My role as the instructional leader is to nurture that. My role as the instructional leader is to lead by

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example because you cannot lead where you will not go, and is to reach out to the community. It keeps me at Boyd late. It does, because of face time during the day and then being there available to parents. It keeps me busy answering e-mails personally, and we have a student population of over 450 students, and listening to their concerns I have heard that. I have heard all of these things said and I have been with the district, besides being a graduate, I have been with the district over 30 years. I taught in Keystone myself and I saw the power of involvement. I really did. It is wonderful to have all the tools, and I have long said there is not product that is going to take the place of what happens in terms of nurturing when that classroom door is closed and that one-on-one between teacher and student and that one-on-one or one-on-two between teacher and parent, and as a parents Crown Creek and any other of the other developments that are around Keystone because our attendance area is all the way to the Bennington line, that go out and meet them and then encourage them to be involved and then it is our house. If they are not comfortable, it is our responsibility to create those avenues that people have something to do, whether it is a retired grandfather or a grandmother that has time on her hands or it is a mother that wants to come up and just watch as the children come to and from school. It is up to us to create those avenues and there is plenty for people to do. Fluency is one of our standards. In order for fluency to take place, people have to listen to children read. They can't get enough of it. People listen to me read whether they knew it or not when I would do the responsive readings in church, and that really improved my fluency. So I have been through OPS and I know that all is not completely well. I really do, and I have had some of the experiences that other people have had. I have had the experiences of people saying how far I could go and putting a cap on it. But I have also had the experience of someone saying but the world is out there, it is up to you, and then the doors open. So not to put a lid on, and I also know that all those eyes and all those ears hold us accountable. I can't see everything as an instructional leader. But my parents can, and one of the things that is my responsibility to do is to educate my parents, including my Crown Creek parents, until they blend in and as they blend in, and it is been a very nice transition. The parents are stepping up to the plate and they are becoming involved because we give them something very specific to do to give them a role in the school, and nothing takes the place of that. I don't know what else I can say. [LB558]

SENATOR RAIKES: Well, let's see if we have some questions. Senator Johnson and then Adams. [LB558]

SENATOR JOHNSON: Well, I was a little bit late getting here and I feel very badly about that because I think you have had a lot to say and I wish I had heard it all. Everyone wants more money for their school and so on, and let's just pass that one by for a second. [LB558]

ELAINE ADAMS: So do I. [LB558]

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SENATOR JOHNSON: And understandably so. But what are the top three or four things that you think are the most important in your success? [LB558]

ELAINE ADAMS: In my own or at Boyd? [LB558]

SENATOR JOHNSON: Well no, in your school that you are serving and so on. What have you been able to create that makes you better than what you were or maybe better than what some other schools are? [LB558]

ELAINE ADAMS: I don't want to call myself better. But I can tell you that it has been said that I will have a conversation with anybody, and I do. And I strongly believe that this school is under my stewardship. It is not mine. It belongs to the community and it is a community school. If I were to say number one, that would be it. And it is the accessibility and the visibility. I have only been there really a year and a half, but I am available, and you cannot lead where you won't go, and I encourage my staff to be available. And that change is a change, and I inherited some good things. It is just building on it. But the visibility, the availability, and then I look for people. I have been told that I have a good eye. I look for people who are going to emulate that. I hired three new teachers last year. I have meetings with my new teachers because I want them to start out with the vision of keeping parents informed. What parent doesn't want to know exactly what it is you are teaching on a weekly basis and how they can reinforce it at home--no cost, low cost. And each of those three new teachers, and there are some wonderful things happening with my veteran staff too, but each of those three new teachers sends a letter home with what they are doing, what they are studying every week to reinforce and then what can you do at home. Not to be the teacher, but to support and to keep parents informed. The other thing, and I learned this from a predecessor when I was an assistant principal, is that if a grade is slipping that there needs to be some phone call home. There needs to be some contact. I don't want to find out at report card time. There is a lot of the little things, but what is really going to come down to is communication, building relationships, and visibility. It really is, and I try to do that in community too. My daughter works at the grocery store down the way, and she says I don't tell people you are my mother. I don't. But you have to be there, and I remember my sixth grade teacher living down the street from me. I see some of my students at my church. I do. People talk about the largeness of OPS, but I don't live in Keystone community, but I am a part of the community. It is nothing to see my students. It is nothing for them to see me out shopping. I may not know all of them. I still use, "Honey," and then they ask me, "What is my name, what is my name?" and then I finally get the name, and they say, "What is my last name?" But I say, there is 450 of you; there is only one of me. But I encourage staff also to do that. If there is a basketball game, be there. The more they see you, and that gives you time to talk to parents. It is relationship building all the way. That is it. [LB558]

SENATOR JOHNSON: Thank you. [LB558]

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SENATOR RAIKES: You said you are willing to talk to anybody and as evidence you are willing to talk to Ashford, so that is good enough for me (laughter). Senator Adams. [LB558]

SENATOR ADAMS: I am having a hard time right now articulating what question I want to ask you. I think you are right on the mark, obviously. Thirty-one years of teaching I left behind, and I truly believe that whatever success a school has, has to do with eyeball-to-eyeball contact with teachers and administrators and custodians and parents and community, and I have sit here now for 24 hours, at least it feels that way, and listened to all of these problems that the Omaha area has and you know what, in many ways the problems are the same one that we have in rural Nebraska, of a sense of community, of parent involvement, of teacher commitment to what they are doing. And I sense that in what you are telling us there may be the seeds of the solution to some of these problems. So my question to you is, if I call you with questions, will you answer them? [LB558]

ELAINE ADAMS: Absolutely, to the best of my ability. [LB558]

SENATOR ADAMS: Thank you. [LB558]

ELAINE ADAMS: And I answer all my e-mails. Nobody likes to go shopping with me in my family (laughter). [LB558]

SENATOR ADAMS: Thank you. I have too many questions to ask you and the Senator doesn't want that, so I will call you or e-mail you. [LB558]

SENATOR RAIKES: Any other questions for Elaine? Thank you for being here, Elaine. [LB558]

ELAINE ADAMS: Thank you. [LB558]

SENATOR RAIKES: Next proponent. [LB558]

JOHN BONAUTO: Senator Raikes, members of the committee, John Bonaiuto, J-o-h-n B-o-n-a-u-i-t-o, executive director of the school boards association. I would like to speak in support of this piece because it is so important to what you are trying to accomplish. Having been also a product of the Omaha Public Schools and my parents lived in the same house in central Omaha for 60 years because it was affordable housing, because that was where their support group was, their church and as that generation died out now the Latino community has moved to that area. But I think that as I look back at the way Omaha has evolved, no one would have planned it that way with 11 school districts in a large concentrated area. So my comment is that we all are going to have to work

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together to overcome the boundaries and to serve that large area of parents and students and a good part of that is to look at not just the integration piece of how we move students, but how do we look at where students are located and create those excellent opportunities in that area. And so that is a piece of this and so as you are looking at solutions, I believe that there is a wide range. And if we could have leaders like the last testifier in every site, the achievement gap would close a lot more rapidly. So with that I will end my testimony. [LB558]

SENATOR RAIKES: Okay. Thank you, John. Questions? I don't see any. So other proponents for LB558? Are there opponents LB558? Neutral? Yes, sir. Come on up. [LB558]

AL INZERELLO: Senator Raikes and members of the committee, Al Inzerello from Westside Community Schools, and today I am representing also the school districts of Bennington, DC West, Elkhorn, Gretna, Millard, Omaha, Papillion-La Vista, and South Sarpy, and we are testifying neutral on the bill but very positive about the idea. We thank Senator Ashford for bringing it forward. On behalf of the leadership of those school districts and the governance structures of those same districts, I want to point out to the committee that during this last period of months in their planning, they get it. They understand that the school districts themselves, even working together, can't do it alone. Even as the school districts have begun the discussion of working together and have become stronger in their plan in looking at how to address this future issue in the metro area. They also understand though that they have got to look outside the school districts. They need the help of the Omaha Housing Authority. They need the help of the Omaha Planning Board, Sarpy County Board. They need those planning groups to join with the school districts. They need the chambers of commerce. They need folks together who are working with the school districts. Senator Ashford obviously understands this, understood it very well in his role from many years in understanding housing and the issues connected with housing. It is much more than just trying to assign students to certain areas, and the superintendents and the boards of these school districts do get it. And we just wanted to go on record of certainly supporting this idea. We also think this idea, along with others, including the planning departments, medical services, other support services in the community like Senator Howard mentioned with regard to Boys and Girls Club even, and other support services all work together to build a quality system for total education in the metro community. And we just wanted to go on record making sure that the senators understood, that this committee understood that commitment that these superintendents and governance structures are making, and would certainly employ this concept in LB547, even though this bill is certainly embedded in LB1024. With that, will close. [LB558]

SENATOR RAIKES: Okay. Thank you, Al. Questions for Al? Al, if I might, just to understand, the reason you are neutral rather than a proponent is because this is a component of LB1024 rather than a component of LB547? [LB558]

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AL INZERELLO: Well, exactly, Senator, but understand that as a group what we are trying to do is make the idea of LB547 and the concept of LB547 stronger. So it is a matter of semantics, sir. I guess in terms of the idea is an excellent one. Okay, and want to make sure that you understood that these districts understand that it would work in LB547 as well. [LB558]

SENATOR RAIKES: Okay. Thank you. Other neutral? Welcome. [LB558]

MICHAEL MARONEY: (Exhibits 20-22) Thank you and good afternoon, Senators. My name is Michael Maroney, that is M-a-r-o-n-e-y. Members, thank you for the opportunity to testify today on LB558. I am lifelong resident of Omaha and currently I serve as the president of the Omaha Economic Development Corporation, and I also serve as a board member of the Nebraska Investment Finance Authority, having been appointed in 1998. I am here today at the request of Senator Ashford and will speak in a neutral position on LB558. But I better qualify that. It is probably neutral/positive. [LB558]

SENATOR RAIKES: We have had those before. [LB558]

MICHAEL MARONEY: I have four points. First, the distribution patterns of affordable housing opportunities are influenced principally and equally by the location of jobs, transportation resources, local services such as daycares and shopping, family ties and affordability. It follows then that there is no magic bullet solution to the availability of housing stock. All of the above factors and a lot more must be measured and considered. Second, planning and zoning restrictions are the first hurdles to be addressed when stimulating the growth of supply of affordable homes. These regulations are a local issue generally outside the state's control or authority. But, we cannot begin to work on housing opportunities until we remove the local barriers to the development of affordable homes. Stated more succinctly, local rule makers must employ processes that encourage the development of affordable housing with the same enthusiasm as the processes they employ to develop other housing types and commercial endeavors. Third, there are many reliable sources of information on the current distribution of housing resources available for your use. NIFA has several current studies on the distribution and financing of affordable homes in the research it sponsors with the University of Nebraska at Omaha. NIFA has also just released the annual statewide housing study, and I am providing a copy of this study to you today on a flash drive. I believe that should have been passed out. Finally, I believe that the state should consider stimulating the development of new affordable homes using recognized and proven tools and techniques. To assist you with that effort, I am also providing you with copies of an excellent handbook, describing the high-impact state and local solutions, recently published by the National Center for Housing Policy. The handbook is especially designed for elected and public officials. It illustrates and documents successful strategies in other states. The handbook identifies techniques for

governments to use that fall into six categories: one, expanding the availability of sites for the production of affordable homes, reducing red tape in the approval process, harnessing the power of strong housing markets, generating more capital for affordable home development, preserving current housing resources, and empowering residents. One particularly effective tool is subsidy preservation mechanism called community land trust. It is described on page 20 of the center for housing policy report that was passed out. The land trust is an excellent structure that preserves subsidies and affordability over time while still allowing homeowners to share in the appreciation. The executive director of the Champlain Housing Trust, Brenda Torpe, spoke just last month at the NIFA housing conference in Omaha. Her presentation and ideas were very well received by the Nebraska housing provider community. To summarize, we need to accelerate the production of affordable homes to meet the needs of our communities. To do this, I think we need visualize the outcomes we want to achieve, get the communities and community institutions to endorse and support that vision, and then use the strategies described above to achieve the vision. I have in my personal and business career been working on this task for more than 30 years. We have made some progress, but there is much more work to be done. I have left copies with you of the Center for Housing Policy report for you and I am available to answer any questions you may have. [LB558]

SENATOR RAIKES: Thank you, Michael. Questions for Michael? I see none, but thank you for the testimony. [LB558]

MICHAEL MARONEY: Okay. Thank you. [LB558]

SENATOR RAIKES: Any other neutral testifiers? Senator Ashford. [LB558]

SENATOR ASHFORD: Very briefly and for the record Mr. Chairman and members, I think the points are these that the problem of the very poor in Omaha is still with us to a great extent, and the reason I brought this issue, I think, to you is to emphasize that as we try to come up with solutions to this problem, we have to deal with approximately 20,000 children who live in poverty in the Omaha area and it is a very real problem, I think. The housing issue is a significant one, but is a possible solution. But the Keystone subdivision where there are 41 people of low income living in west Omaha is the first project that the Omaha Housing Authority west of 72nd has been able to accomplish. So this is going to be a slow process, and it is going to take a great deal of community involvement and effort to get us there. So we still need to address the neighborhood school situation as it exists in areas of extreme poverty, and that is the real crux of the issue and I just wanted the committee to be aware of that. Also Michael has made a good point that there are solutions out there in the affordable housing area, but we need to deal with what is, and thank goodness we have Elaine Adams and people like her that are able to when we do have the opportunity to integrate affordable housing with good schools that we have people like Elaine Adams who are able to make that

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happen. Thank you, Mr. Chairman. [LB558]

SENATOR RAIKES: Okay. Thank you, Senator. Questions for Senator? I see none, thank you. That will close the hearing on LB558 and Mr. Vice Chair. [LB558]

SENATOR KOPPLIN: Okay. We will open the hearing on LB642. Senator Raikes will open. [LB642]

SENATOR RAIKES: Thank you, Senator Kopplin, members of the Education Committee. I am Ron Raikes, District 25, here to introduce LB642. LB642 calls for a change in organizational structure. By definition that means it won't be popular. Generally speaking, we don't like to change those things. Now I will tell you that a motivation for this proposal is not that the organizational structure and the services that performed and the people involved are somehow inadequate or not performing or something like that. Rather, my motive here is to make the organizational structure more nearly fit what I think is the current and modern purpose that we need to address. In particular, I am suggesting that with this bill that we reorganize the ESUs in the metro area so that there is a combined ESU that includes and serves the learning community, as currently defined in statute, and attended to that districts that are now a part of ESU 3, which is the only ESU involved that reaches outside the metro area. Districts that are not within the two-county area but currently a part of ESU 3 would be assigned to other ESUs. My motivation here is one of function, efficiency, simplicity of administration burden. I think that the ESU has demonstrated it's facility in providing administrative roles for school districts. I would like to add to that effort in this particular proposal for them to serve as administrator of the learning community. This is a role that...I have to tell you going back to the original proposal of the learning community, we had this as a part of it. We were dissuaded from going forward with it last year in all of the processes that evolved. So to some extent I am coming back to this, and I am coming back to it because I think it is a sensible way to approach the issue. It addresses administrative levels and burden. It doesn't make as much sense for me, I will put it that way, to have an administrative structure within the learning community and then have yet a separate one for the ESUs. I think those can be effectively and efficiently combined, and that is what I am proposing here. I will tell that the transfer or the change in organization is probably somewhat stark. It doesn't allow for a long drawn out period. It is more or less let's make the switch and go. But that is the essence of what is being proposed here, and I will stop there and try to address any questions you might have. [LB642]

SENATOR KOPPLIN: Questions? Senator Howard. [LB642]

SENATOR HOWARD: Thank you. Senator Raikes, I have a question concerning the voting structure of the new super ESU. It is my understanding that the learning community coordinating council would become the new board for the combined ESU. [LB642]

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SENATOR RAIKES: Right. [LB642]

SENATOR HOWARD: Am I correct? Good. Judge Coffey wrote in his injunction order against LB1024, and I am quoting him, "because the voting structure of the learning community as set forth in Section 107 is not proportionate and is, in fact, grossly disproportionate the voting structure set forth in the act violates the special privileges clause of Article 1 Section 16 and Article 1 Section 3 and Article 3 Section 18 of the Nebraska Constitution." If the learning community coordinating council is constitutionally suspect, isn't the proposed new ESU board equally of a concern? [LB642]

SENATOR RAIKES: Well, two points on that, Senator, if I might. Number one, this is a matter that cannot and will not, as I understand it, be decided by a district court judge. This is a matter that can only be decided by the supreme court. So you say constitutionally suspect, you have had one judge that calls it into question. The second point is particularly interesting because the mechanism for the voting structure that is being proposed for the learning community is drawn from what is currently used in ESUs. I haven't convinced you. Okay. So at any rate, we modified it, as you know, to try to make it amenable to various concerns and certainly that would be something that still would be before this committee or this Legislature in terms of trying to amend. But it is a voting structure that is a sort of a House/Senate combination. Each school district gets a representation, yet there is a representation element that reflects just simply the total number of students. The impetus of the voting structure is to make it so that school districts are encouraged to work together rather than giving any one school district either a monopoly power or veto power or having a school district that has no say at all. So having said that, what is being proposed here, this is the learning community council voting structure. The learning community council would be the entity that would be in control of the ESU in this arrangement. It would eliminate the need for separate elections for ESU board members. So there is a lot of administrative burden that would be taken away. But yet the very important task of administering the operation of the learning community and the cooperative arrangement between those districts would have, I think, a very capable home in the ESU organization. [LB642]

SENATOR HOWARD: I appreciate your explanation and your comment that it really is a work that is ongoing--toward perfection, hopefully. [LB642]

SENATOR KOPPLIN: Other questions? I have one. Go ahead, Senator Howard. [LB642]

SENATOR HOWARD: Thank you. So this is just a practical concern and I am going to put it out. The employees that are now working at the ESU 3 and 19, how will their jobs change? Where will they be? [LB642]

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SENATOR RAIKES: I hope that that is spelled out fairly clearly in the bill. I can't repeat all of the details to you, but the intent is to make the transition to the new entity as smooth as possible. Now to the extent that you would have school districts that are outside the metro area becoming part of different ESUs, I think it is quite likely in fact to be expected that the workload would, in that sense at least, be transferred to other ESUs. You would also have both 19 and 3 becoming one ESU 3. So to the extent, and with 19 it is a little bit different organization, but to the extent you had two separate administrative units over the ESUs, you would need one. [LB642]

SENATOR HOWARD: Okay. I think it is important to reassure the employees that they wouldn't be... [LB642]

SENATOR RAIKES: I don't disagree with you. [LB642]

SENATOR HOWARD: Thank you. [LB642]

SENATOR KOPPLIN: Other questions? Okay. You thoroughly confused me, which is usual. [LB642]

SENATOR RAIKES: That is always my goal, Senator. [LB642]

SENATOR KOPPLIN: I know. Because I am probably wrong on this but I am sure you will correct me. Under the present ESU structure you have an elected board that makes ESU decisions. I think the formula doesn't affect that board, it effects the advisory group for some kind of funds or other. [LB642]

SENATOR RAIKES: I think it is the superintendents advisory group, I believe. [LB642]

SENATOR KOPPLIN: Yes, that is where the formula comes in, not the ESU itself. [LB642]

SENATOR RAIKES: Right. Voting structure you mean. Yeah. [LB642]

SENATOR KOPPLIN: And then we further confound that with another bill that puts ESUs in voting districts. Would there not be more sense to look at voting districts on this ESU board? Would that answer Senator Howard's question? [LB642]

SENATOR RAIKES: Certainly that is a possibility, Senator. If you do it the way it is proposed here you elect school board members for the various school boards and they are elected or selected by the school board members to serve on the learning community council. That council in turn then is the administrator of the ESU. What you are suggesting is well, instead of doing it like that way you could continue with separate election districts for the ESU so that you had ESU board members elected and then you

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also had a learning community. The arrangement here is that the learning community council would have the authority over or be responsible for the ESU services. So that is the reason in this proposal we are eliminating the separate election of ESU board members. And as you know, in ESU 19, I think they operate the same way as 18; the school board election is the same as the ESU election. [LB642]

SENATOR KOPPLIN: Correct. Senator Howard. [LB642]

SENATOR HOWARD: Thank you. Senator Raikes likes it when I do my homework. As I understand it, the merged ESU, 19 and 3 merging together, will have the power to levy property taxes as an ESU. [LB642]

SENATOR RAIKES: Yeah. In effect, that power would be vested in the learning community council. [LB642]

SENATOR HOWARD: Okay. That is exactly what I was going to ask you next. And then these taxes, as you say, would be levied by the learning community council, and given that you and I have discussed this quite a lot and I still feel it is disproportionate, but you told me it was a work in progress, which is heartening. This structure of this coordinating council, wouldn't this tax be in effect could it not be said that it is a problem in terms of taxation without representation? [LB642]

SENATOR RAIKES: I don't know. It is a fair point. I would have to consider that. [LB642]

SENATOR HOWARD: Thank you. I always feel quite honored when you feel that my points are well put. Thank you. [LB642]

SENATOR KOPPLIN: Anyone else? I think not, Senator. Proponents. Are there proponents for this bill? Are there opponents to testify? Yes there are. [LB642]

SENATOR AVERY: You did it again, Ron. [LB642]

SENATOR KOPPLIN: Come forward. [LB642]

TERRY HAACK: (Exhibits 23 & 24) Vice Chair, Senators. Good afternoon. My name is Terry Haack, spelled H-a-a-c-k, superintendent of Bennington schools. I am representing Bennington schools, as well as DC West, Elkhorn, Millard, and Westside in the Douglas County area. I come before you today to oppose LB642. Bennington Public Schools has over 43 square miles in the Douglas County, that is located in the northwest and southwest of Washington County. The past year we had 17 percent growth in student population. We expect similar increase next fall. One study indicates that our district could triple in student population over the next five to seven years. Currently with construction in 11 different housing developments contained in over

2,100 lots ready for construction, Bennington Public Schools is developing long range plans for future growth. The services provided by ESU 3 have helped a rapidly growing district like ours meet the needs of an increasingly diverse population. Bennington Public Schools is currently a part of ESU 3 with 18 other districts located in the four-county area. Eight of these districts have total student population resembling that of Bennington. The commonalities of small school size with geographic proximity to a metropolitan population forged these districts together with similar needs. LB642 breaks the ties Bennington has with these districts of similar size and like needs. Bennington Public Schools benefits from maintaining the current ESU structure. We are able to contract for unique educational services through ESU 3 that only specialized personnel can provide. The district's population calls for less than one day of services of occupational and physical therapists. We have need for auditory trainer for only a handful of students. Our population is not at a point where we can reasonably afford the addition of full- or part-time personnel in these specialized person areas. Rather, we need hourly or possibly a day for specialized personnel that service units can provide us in a cost-effective manner. Bennington has taken full advantage of the many professional development opportunities that ESU offers small districts. We feel these could be lost in a newly formed service unit which has a majority of districts serving 4,000-4,500 students. ESU 3 provides Bennington many technical support services that we cannot afford without the shared cooperation of like districts. Bennington Public Schools believe that choice is a key component to a prosperous metropolitan area. We believe that children educational needs are better served through local control allowing families greater input and involvement in their schools. Bennington Public Schools feels that the appropriate level of services for its student population would be better served by the current ESU structure. I respectfully request that the committee not advance LB642. I want to thank you for your time. Do you have questions? [LB642]

SENATOR KOPPLIN: Are there questions for Dr. Haack? Seeing none, thank you Terry. [LB642]

TERRY HAACK: Thank you. I also request Dr. Breed at Elkhorn Public Schools was not able to attend, but he does ask if he could submit a written. [LB642]

SENATOR KOPPLIN: Okay. Next opponent. [LB642]

RENEE JACOBSON: Committee members, my name is Renee Jacobson, J-a-c-o-b-s-o-n. I am the superintendent of schools in Plattsmouth. I am here representing the five school districts of Cass County. These include Plattsmouth, Conestoga, Louisville, Elmwood-Murdock, and Weeping Water. Our message to you is very simple. With regard to Section 4 of LB642, we respectfully request that you allow our schools to remain associated with the metro Omaha area. Our reasons for this are as follows. First, services to students. ESU 3 currently provides services to special needs students of Cass County. These services meet the needs of our most vulnerable

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students. Moving our districts to a different ESU would interrupt services for the students currently enrolled in these specialized programs, such as Brook Valley School for students who have autism and other related handicapping conditions. This would be educationally detrimental to these students and their families. Second reason, we are an urban-rural bridge. The curriculum and professional development programs provided by ESU 3 were developed collaboratively with input from every school district in ESU 3. The unique conversations about the learning of children in our large and small school systems have led us to initiate training programs that impact teaching and learning all across the state as the knowledge that we gained is disseminated through other ESUs to schools throughout Nebraska. This training directly impacts the way teachers teach and students learn. Specifically, we have impacted the writing, reading, data collection, and data analysis of schools not only in the metro Omaha area but across the state. Our small ESU 3 schools have served as pilots for new initiatives that would be nearly impossible to pilot in a large school. Other pilots occurred in larger school settings and then were adopted by the smaller schools. We bridge the urban-rural gap in ways that should serve as a model for this state. It is truly a unique situation. Moving Washington and Cass Counties out of the metro ESU area would destroy this unique working relationship and would eliminate an effective, foundational structure for improving education for all the children of our state. Senator Raikes spoke earlier about efficiencies. Attaching Cass County schools to an adjacent ESU would increase costs to our district due to additional travel time and mileage expenses for teachers and students to travel to a more distant ESU. This additional burden to our budgets would come at a time when our budgets are already under a great deal of pressure. Weeping Water operates with a levy override. Conestoga failed in their attempt for an override; they have reduced the number of days that their students go to school. Plattsmouth is in its third year of placing no money in our building fund because all of our resources are required for our general fund services to our students. Most of us transport students to ESU 3 daily. That is two round-trips. Our teachers travel to ESU frequently and superintendents, special education directors and curriculum directors travel to ESU 3 at least once a month. At 48.5 cents and 175 days per year, those costs and time commitments add up and would strain our already tight budgets. Our families and our communities have direct ties to the Omaha metropolitan area due to equipment, medical care, and entertainment. The office of management and business includes Cass County as part of the Omaha metropolitan statistical area. It seems illogical to separate Cass and Washington Counties from the metro area for structural support. Some would say that we should simply tell our new ESU to offer the the same services that ESU 3 has provided us. That is a lot easier said than done. Current law requires two-thirds of the districts representing 50 percent of the students to decide of the allocation of funds and subsequent services. It would take years to redirect sufficient funds to recreate these needed services because the unique nature of each of our districts, the districts of ESU 4 which is where would most logically go, may not be perceived as a need by the other districts. In which case our students, our staff members and our taxpaying patrons will become unintended victims of this proposed

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change. In summary, all five schools of Cass County respectfully request that you allow us to remain a part of the metro ESU. Do not interrupt the services for our students. Even if ESU 3 changes as it is integrated into the learning community, our past cooperation with the metro area will allow us to help develop and disseminate to other schools throughout the state the best practices for teaching and learning, which will undoubtedly arise from this learning community. We are privileged to serve as that bridge between metro Omaha and the rest of this state, and we encourage you to allow us to continue to serve in this unique role. [LB642]

SENATOR KOPPLIN: Questions for Dr. Jacobson? Seeing none, thank you Renee. Next opponent. Just a reminder, try to remember the three minute light. [LB642]

STEVE SHANAHAN: (Exhibit 26) I will remember it. My name is Steve Shanahan, that is S-h-a-n-a-h-a-n, and I am the superintendent of schools in Blair, Nebraska, and, again, just like Renee before me, I am speaking to you representing the superintendents of Washington County. That is Blair, Ft. Calhoun, and Arlington. Collectively, our school districts represent over 3,500 students. All of our districts have enjoyed a long and very beneficial relationship with ESU over the last 40 years. We have been an integral part of all of the programs and services there, and we have been part of what has been developed and our students and staff, we think, have benefited greatly from that involvement. LB642 would cause the schools that are not part of the learning community as you know to relocate services and programs to other service units. In our case, Washington County, we would relocate from ESU 3 to ESU 2, which is located in Fremont. I think in a few minutes ESU administrator Dr. Gil Kettelhut is going to mention that one size doesn't fit all, and that is really true for schools in the state, that is really true for ESUs in the state. What we are trying to do today is not to disparage any other service unit in the state. That is not our intent. But what we are trying to do is convey to you that we have a long and very close relationship with ESU, and we have been able to develop a number of programs because of them and those programs are really the expectation of our students, staff, and parents. We do standards in reporting and tracking that is required by the state through the service unit. Staff development through the service unit. Writing assessment scoring through the service unit. We have direct service days, which are special days that our schools get from the service unit for staff development. A very big part of it is called student information services, SIMS for short. That is all of our student reporting, grading, transcripts, all of that is done for by our service unit; payroll and accounting, a lot of Internet services, an alternative school that was just mentioned. A conservative estimate for our school district would be about a loss of about \$500,000 to replace those programs. It is certainly true that these programs can be developed and maintained by any service unit but what is going to happen is they are going to have to have the initiative, the time, the funding and the leadership to be able to do that, and then have two-thirds of all the school districts representing 50 percent of the students vote for that change. Our concern is that even if there is a change, even if we get the vote, there will be five to ten

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years of development before those services are offered, we are going to take a step back in order to make the change. What we are asking you today is just to reconsider the move of our school districts from ESU 3 to a different service unit, and so we can really maintain the services that we have now. What we really don't want to have happen is for our school districts to be collateral damage in all of this. Thank you. [LB642]

SENATOR KOPPLIN: Questions for Dr. Shanahan? Okay. Thank you, Steve. [LB642]

GIL KETTELHUT: Good afternoon. My name is Gil Kettelhut, K-e-t-t-e-l-h-u-t, and I am really wearing two hats today. One as the administrator of ESU 3 and also reporting for the Nebraska Council of School Administrators. I was asked to do that today. I also serve on their legislative committee. Well, you have heard a little bit about ESU 3 and you have the map in front of you which also shows Cass and Washington County, and I know you have heard about the statute that the Legislature put in roughly about ten years ago that said this: It said ESUs all across the state, before you offer any services or programs involving property tax dollars, core service funds, whatever you are going to do, you need to make sure that two-thirds of your school districts representing 50 percent of your students has said this is the direction you need to go. Up until this year, we had all 18 of our districts agreeing with our plan. This year it is 17 districts agreeing with our plan and one not. Even with that said, we still offer services to all 18 districts. So when we went to visit with our 18 school districts, we said what do you think about LB642? Unfortunately for Senator Raikes, I am sorry, there was not one positive comment about implementing LB642. They said, Gil, we like the way the service unit works today, it is structured today, you take care of our needs. One of their major concerns they had is that if you combined ESUs 3 and 19 for just Douglas and Sarpy County alone, you are going to have an ESU of over 110,000 students. We are already the largest ESU of 65,000 students and now we are going to double that size and there has been questions about what happens to your efficiencies as you begin to get too large. The other concern is that we really don't want to be limited to just the learning community or the preferred Nebraska Student Advantage Act because both of those pieces of legislation talks about providing services in this range. Currently we provide services beyond those ranges, including things like driver's education, agricultural education, payroll and accounting, and our schools have said let's not narrow ourselves, let's not provide less services, let's continue to provide the breadth of services we are today. And then the last aspect is that we are really concerned about the governance structure and how daunting that could be for any elected board member from a school district of Bennington or Papillion, whoever it may be, that that board member that is going to be taking care of business back in their own district, handling their own board issues and then coming to take care of issues in the learning community. And then after that take care of issues with the ESU. The board members we have about said, Gil, that is not the plan that we want to be involved in in terms of magnitude of governance. So our school districts have said to us plainly we want ESU 3 to stay the way it is, you take

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care of our needs. We will provide the services. The red light. Thank you. I am done.
[LB642]

SENATOR KOPPLIN: Any questions for Dr. Kettelhut? Senator Johnson. [LB642]

GIL KETTELHUT: Yes, sir. [LB642]

SENATOR JOHNSON: I think I am remembering correctly that Bellevue wants to leave
ESU 3? [LB642]

GIL KETTELHUT: Bellevue has petitioned to either become their own ESU or join with
ESU 19. [LB642]

SENATOR JOHNSON: Or both. But my question is not that. My question is, as you
have gone through a litany of how wonderful things are with ESU 3 and yet here you
have a very large school district that wants to leave you. Can you reconcile that for me?
[LB642]

GIL KETTELHUT: I am going to tell a piece of history and then it may or may not be the
connection. You would probably have to ask the Bellevue schools. Two years ago it was
18-0 on our services provided. Things were going fine. The next year we got into an
item called one city, one school district. Seventeen of our school districts implied they
were not interested in one city, one school district. Bellevue, as you well know, is very
interested in one city, one school district. At that point you need to ask them. That is
when things changed. [LB642]

SENATOR KOPPLIN: Other questions for Dr. Kettelhut? Okay. Thank you, Gil. [LB642]

GIL KETTELHUT: Thank you. [LB642]

SENATOR KOPPLIN: Next opponent. [LB642]

JIM STOCK: (Exhibit 27) Senator Kopplin, members of the committee, my name is Jim
Stock, S-t-o-c-k. My address is 28220 Bluff Road, Murdock, Nebraska. I serve as a
director for the Nebraska Association of School Boards representing schools in
Washington County, Cass County, western Douglas, and part of Otoe County. I also
represent Cass County on the board of Educational Service Unit 3. I have served on
that board for 30 years having been appointed after Mrs. Suzanne Pankonin, mother of
newly elected Senator Dave Pankonin, moved out of the district some years ago. I am
here to speak against LB642. As the old-timer on the board, I can tell you that ESU 3
didn't just happen. It has taken not only tax dollars but considerable time and talent from
a lot of people along the way, including the administrators and staff of local schools as
well as the dedicated employees of ESU 3. We have five advisory committees that

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include a representative from each of our schools. These include a technology committee, a special ed committee, a media committee, a curriculum and staff development committee, and the superintendents advisory committee. These committees meet every month and from their recommendations, the ESU 3 services are tailored to meet the needs of the students and the schools. As an example of one of our success stories, I would like to tell you about the development of what we now call the Brook Valley School, which you have heard referred to. In the early 1990s, the special ed committee found that a number of our schools had a student or two that they just couldn't reach because of behavior problems. Members of that committee came to the ESU 3 board asking if it would possible for the ESU to set up a special classroom that could take 8 or 10 kids for a quarter or semester or maybe just a few weeks and give them some special help so they could function back in their own schools. With board approval, the ESU staff set up a small special school classroom down at Gifford Farm. We hired some teachers and some paraprofessionals and before long this so-called behavior disorder classroom was underway. Since then, the demand has grown and with more requests from more schools the little one room school has grown into the Brook Valley School, which now sits across the street from our main office, and now has 100 students, not only from the four-county area, but from surrounding counties as well. And I think we have one or two from Iowa as well, and we have a waiting list of school districts who have students they want to send. We have a highly trained and dedicated staff of educators who suffer hits, bites, and head butts in their effort to teach these children that wouldn't have a chance in their home school district. Last spring we had three seniors graduate from Brook Valley, and there were proud parents or foster parents who said we never thought we would see this day. Likewise, I never thought I would see the day when we would be considering dismantling ESU 3, removing Cass and Washington County, and making ESU the administrative headquarters for the Douglas and Sarpy County learning community. I believe ESU 3 has a future providing requests and services that are part of the Nebraska Student Advantage Act as well as the schools in the adjoining counties. If you look on pages 2 and 3 of this ESU Annual Report entitled, "Four Counties and Beyond!" you will see listed some of the programs in which we have been cooperating with other ESUs throughout the state to provide technology and other services. ESU 3 also continues to work with the State Department of Education to produce and score the state writing assessment as well as a number of other services that benefit kids. If LB642 is enacted, what happens to those alliances? Who is going to provide these services? The resulting educational service unit would have about 110,000 students or one-third of the state's kids. Can a unit that size continue to provide quality services as well as be the administrator for the learning community? I read with interest Senator Raikes' comments in the Sunday World-Herald that there is an optimum size for an efficient school district somewhere in the 10,000-15,000 student range. Surely there is an optimum size for an educational service unit, as well, and I question whether 110,000 students would be an appropriate number. I recently attended the Nebraska Rural Schools Association legislative meeting where Governor Heineman spoke about Nebraska's future. I believe Senator Kopplin

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and Senator Raikes were there, as well. The Governor said business, education and state government would have to work together with at spirit of collaboration, cooperation and communication. I believe ESU 3 and the schools in the four-county area have been doing that quite well for 40-plus years. It appears to me that LB642 sends the message to the schools from Cass and Washington Counties, that after 45 years you no longer fit into our vision of the future of the metro area, although most people refer to the metro area as including all four of the counties. To change the ESU 3 role and mission by making it the administrator for the learning community, and eliminating the schools in two of the counties that have been a vital part in the development and use of the services, would be a travesty. From where I sit, it appears that this bill, LB642, is designed to fix something that isn't broken and give ESU 3 a job it wasn't meant to do. I urge you to vote against it. Thank you. [LB642]

SENATOR KOPPLIN: Thank you Mr. Stock. Any questions? Okay, Jim, thank you. Another opponent? [LB642]

JOHN BONAIUTO: Senator Kopplin, members of the committee, John Bonaiuto, J-o-h-n B-o-n-a-i-u-t-o, executive director at Nebraska Association of School Boards. I do want to mention to the newer members of the committee, I don't try to make it a habit of being on the opposite side of one of Senator Raikes' bills. Seems like this session has been unusual. I would like to talk about a position our delegate assembly took for our legislative booklet, and it deals with the educational service unit governance, and it just states NASB supports governance of ESUs by elected boards and supports local determination of specific mechanisms of that governance. I think that the accountability for ESUs is best delivered through a board that is connected to their mission. To broaden that I would say that, as we look into the future, there is surely going to be some changes that are going to be taking place in how we deliver educational services in the metro area. I think those school boards are going to be very busy. Dr. Kettelhut alluded to that. I think that would also be true of the ESU board that would serve that area. I believe Senator Raikes does have another bill that Senator Kopplin referred to that deals with ESU boards being elected by districts and that bill may have been amended to allow the local self determination of whether you have 5-12 members on an elected board. I hope we supported that one because that appears to be an option that would be worth considering. With that, I am just going to conclude my testimony. [LB642]

SENATOR KOPPLIN: Any questions for John? Thank you. Are there other opponents? [LB642]

HARLAN METSCHKE: (Exhibit 28) I kind of gotten to like that neutral position but I do have a statement at the end that probably makes me an opponent. I really want to maybe correct some information about educational service units. [LB642]

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SENATOR KOPPLIN: Can you spell your name, Harlan? [LB642]

HARLAN METSCHKE: Oh, my name is Harlan Metschke, superintendent of Papillion-La Vista schools. That is M-e-t-s-c-h-k-e, superintendent of a school district that is about 9,000 in Educational Service Unit 3. The misinformation I think I want to correct, and you may have gotten that last week in some testimony, is that educational service units only provide services for small schools. And I was in a very small school at one point, 140 strong in the district and I know service units are the lifeblood of small schools. But as a very large district, there are a number of services that we get from the educational service unit. We are large enough to be able to hire our own special ed staff because we are big enough to need a full FTE teacher. Sometimes maybe when we are in between, we can get some advantage by going to the service unit for that service. But what we predominately use in special education is that Brook Valley School that you have heard about, and we have four students there. The other area that we use a lot and that is the services in curriculum and staff development. We have sent about 400 teachers to conferences in the service unit for staff development. One of the major efforts that educational service unit did for school districts this last summer and then two summers prior was they brought Rick and Becky DuFour into the service unit to work with professional learning communities. All schools have school improvement teams in the metro area. That conference generally would cost \$570 per, and then of course if you went elsewhere you would have your airfares and stuff like that. In our case, we were able to get that to us for \$99 a teacher. And I know Lincoln, Millard, Ralston, Westside, all had a large number of teachers and principals there. We have sent 100 principals and teachers to that in-service at that kind of savings to the district. The other thing is the operation and management of our wide area network and purchase of our Internet access. We get that at an extremely lower rate doing it through our service unit. Some of the estimates I had my tech man give me, if we didn't have the service unit providing some of those services, is a manpower cost of potentially \$200,000, software and hardware maintenance of about \$40,000, Internet access at \$30,000, Internet filtering at \$10,000, benefits that we get, and we get them at a much cheaper rate because of the educational service unit. My issue that probably makes me a little bit of an opponent to this bill is the idea that we are going to make this change kind of ahead of what is being proposed this legislative session. It seems to me that we are putting the cart before the horse a little bit, and our district is a proponent of LB547. We ought to see what kinds of changes we can make to improve the concepts in LB1024 first before we mess with the governance of the ESU and the fact that it might be a governance for that structure. That is all I have, Senator Kopplin. [LB642]

SENATOR KOPPLIN: Questions for Dr. Metschke? Thank you, Harlan. Are there other opponents? Any neutral testimony? Senator Raikes would you like to close please? [LB642]

SENATOR RAIKES: Now we are getting to the testimony I am used to on bills I

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introduce. A couple of things, Harlan, the last testifier made a number of good points. And to reemphasize, I am not suggesting that ESU services are not worthwhile or that we should do anything to eliminate ESU services. I don't think I have ever said that, and I don't believe that. I think they are very important, particularly to small schools as he mentioned, also to larger schools, although we have discrepancies. Some large schools, and as you would expect, don't use the same sorts of services in the same degree that others do. He also mentioned well, you are getting the cart before the horse. As you know, I think, we have a significant issue to deal with and really what is important for us at this point is to have on the table the alternatives we might consider in terms of how we organize to provide services...and that includes not only ESU services but administrative services. I will tell you I was not surprised but disappointed in some of the testimony that we heard from ESUs. Disappointed in the sense that there is sort of a staunch unwillingness to change anything, to defend exactly what we are doing now as we are doing it and to guarantee that there is absolutely no other way that it can be done, and I don't think that is the case. I will give you one example, if an ESU of 110,000 students in too many, wouldn't it be possible to create two ESUs or divide the service requirements among two ESUs within the learning community, and in doing so, possibly better direct services to the various size of school districts that are involved. I don't think this is an idea that only I could come up with. I think a lot of people are very capable of coming up with those and much better ideas. So I am, as I say, disappointed in the sort of unwillingness to even consider. If we could do exactly what we are doing, exactly how we are doing it now forever, our life would be a lot easier. I think you know that. Unfortunately we can't do that, and we have to look at making changes, and all of those changes unfortunately cannot involve making everybody more comfortable and just charging the taxpayers more. We have to look for ways to do things differently. Other than that, I agreed with everything that was said. (Laughter) [LB642]

SENATOR KOPPLIN: Any questions for Senator Raikes? [LB642]

SENATOR AVERY: Just one comment, you know that this committee is not afraid of change. [LB642]

SENATOR RAIKES: I do. I do. [LB642]

SENATOR AVERY: I wanted that on the record. [LB642]

SENATOR KOPPLIN: Well, I am not so sure I am open. (Laughter). Thank you. That concludes the hearing on LB642. [LB642]

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Disposition of Bills:

LB91 - Indefinitely postponed.
LB473 - Indefinitely postponed.
LB558 - Indefinitely postponed.
LB642 - Indefinitely postponed.

Chairperson

Committee Clerk