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Education Committee  
March 02, 2015

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[LB227 LB355 LB402 LB519 LB520 LB589]

The Committee on Education met at 1:30 p.m. on Monday, March 2, 2015, in Room 1525 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB227, LB402, LB589, LB355, LB520, and LB519. Senators present: Kate Sullivan, Chairperson; Rick Kolowski, Vice Chairperson; Roy Baker; Tanya Cook; Mike Groene; Adam Morfeld; Patty Pansing Brooks; and David Schnoor. Senators absent: None.

SENATOR SULLIVAN: Welcome, everyone. It's 1:30 so we will get started. I'm Kate Sullivan of Cedar Rapids representing District 41 and I'm Chair of the Education Committee. I will be introducing members of the committee but just so you know that's...what is on the agenda today, we'll be having hearings on LB227, LB402, LB589, LB355, LB520, and LB519. They...we are still in the process of introducing bills in other committees so if some of the members of this Education Committee aren't here now, they will be joining us later on. But for those who are present, I'd like them to introduce themselves.

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

SENATOR BAKER: Senator Roy Baker, District 30, Gage County and part of southern Lancaster County.

SENATOR COOK: I'm Senator Tanya Cook. I represent District 13 and that is in northeast Omaha and Douglas County.

SENATOR SULLIVAN: Thank you, Senators. We do have some committee staff and others that help us in this process. To my immediate left is LaMont Rainey. He is one of the eagle...legal counsels--eagle (laughter)--for the committee. To my far right is Mandy Mizerski and she is the committee clerk. As far as logistics for the committee hearings, if you are planning to testify, there are green sheets on the tables on either side entrances of the room. And we'd ask that you pick one of those up and fill those out in its entirety. If you do not wish to testify but would like your name entered into the official record as being present at the hearing, there is a separate form on the table to do that as well. Regarding the green sheet, as I said, please fill it out before you come up to testify. Please print and complete the form in its entirety. And when you do come up to testify, simply give the green sheet to the committee clerk. If you have handouts, we ask that you have 12 copies for the pages. And I overlooked the fact that we do have pages helping us: Seth Thompson from Ogallala, and then we have another one who, I'm sorry, I don't know his name.

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\_\_\_\_\_: (Inaudible).

SENATOR SULLIVAN: Okay. Thank you very much. Perhaps I do not need to say this, but if you have a cell phone, please remember to shut it off. If you've got a beeper or anything that makes noise, we don't want to be distracting for the testifiers. And when you come up to testify, please do speak clearly into the microphone. Tell us your name and spell both your first and last names for the record. The introducers will...of the bill will make the opening statements. There is no time limit on them. Then it will be followed by testifiers testifying in...as proponents to the bill then opponents and then those in a neutral capacity. We will be also using the time...the light system today. You'll have three minutes for your testimony. When you have one minute left, the yellow light will come on. And then when it's red, please conclude your comments. We've had some additional senators join us. Senator Groene, would you like to introduce yourself?

SENATOR GROENE: Senator Mike Groene, Lincoln County.

SENATOR MORFELD: I'm Senator Adam Morfeld, northeast Lincoln.

SENATOR PANSING BROOKS: And I'm Patty Pansing Brooks, District 28 and welcome to this...to 28.

SENATOR SULLIVAN: All right. I think with that we've covered all the details of the committee so we will start with the first bill and that is LB227. Welcome, Senator Hansen. [LB227]

SENATOR HANSEN: Thank you. [LB227]

SENATOR SULLIVAN: It's your first time before us? [LB227]

SENATOR HANSEN: (Exhibit 1) This is my first time in front of Education. So good afternoon, Chairwoman Sullivan and members of the Education Committee. My name is Matt Hansen, M-a-t-t H-a-n-s-e-n. And I represent District 26 and it is the portion of northeast Lincoln not represented by Senator Morfeld. (Laughter) I'm here today to introduce LB227. LB227 would remove the sunset provision that was provided when the bridge program was created, would continue funding of the program at \$200,000 and would add an annual reporting requirement for the Education Department to the Legislature. The bridge program provides for adult education for those adults who are considered to be low skill or have other challenges. For example, the bridge program helps nontraditional students with educational needs or barriers, provides cotaught curriculum that integrates adult basic education and either vocational or technical

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training. Bridge programs also offer services to help students to help address educational needs or barriers and helps provide a fast-paced program to get credentialed for in-demand jobs. This program offers a way for those nontraditional students to receive an education that will help provide them for most postsecondary education and help students receive an education that would get them ready for the jobs that are in demand in their area. The amendment that I present to the committee clerk and I hope has been handed out, AM90, would add a little clarification for the funding source for the program. It was brought to our attention by the Education Committee counsel and my staff has worked with him and the Fiscal Office to make sure that we have a new funding source available when the current lottery funds account is closed and the new one is opened. The bridge program is a vital program to help those who are undereducated and who might have to receive taxpayer benefits to find a way to get a job and continue their education thus helping to end the cycle of poverty. Behind me are several organizations who provide these programs along with students who have graduated from the program. This has been a highly successful program which has helped improve the lives of many Nebraskans and I would urge you to ask...to move LB227 out of committee to General File. With that, I'll close and yield to any questions. [LB227]

SENATOR SULLIVAN: Thank you, Senator Hansen. So essentially, you're wanting the current dollars that come from the lottery fund to continue to be used for these bridge programs support, is that correct? [LB227]

SENATOR HANSEN: Yes, that is my goal. [LB227]

SENATOR SULLIVAN: And I know you've got people coming to talk about some of the specific types of programs but do you have any...can you have any information on how prevalent they are across the state, how many bridge...different bridge programs there are? [LB227]

SENATOR HANSEN: Yes. At the moment...so this is...what we're doing is kind of continuing a short-term, three-year pilot program. And during the three-year program, it is my understanding that four bridge programs were created, one with Goodwill and Metro Community College in Omaha, another one with Creighton in Omaha, one with Southeast Community College in Lincoln and one with the Mid-Plains Community College in North Platte. [LB227]

SENATOR SULLIVAN: Okay. Very good. Thank you. Any other questions for Senator Hansen? Senator Schnoor. [LB227]

SENATOR SCHNOOR: Thank you, Senator Hansen. The amendment you have, is this just a change in the wording, if I'm reading this correctly, from the Education Innovation Fund to the Education Improvement Fund? Is that the main point of the amendment? [LB227]

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SENATOR HANSEN: Yes, the main point of the amendment, my goal, was to continue funding the program. And it has been funded through lottery dollars. When we introduced the green copy of the bill, we didn't account for the fact that the current lottery fund, as I understand it, is sunsetting. And so this would provide funds from that program up until that sunsets. And then when we create the new one, it would switch the funding over there. [LB227]

SENATOR SCHNOOR: Okay. Thank you. [LB227]

SENATOR SULLIVAN: Any other questions for senator? Will you be staying for closing? [LB227]

SENATOR HANSEN: I will stay as long as I can but I may have to leave for...introduce another bill in another committee. [LB227]

SENATOR SULLIVAN: All right. Very good. Thank you. [LB227]

SENATOR HANSEN: Thank you. [LB227]

SENATOR SULLIVAN: We will now hear proponent testimony. And before that starts, I just wanted to allow the Vice Chair of the committee to introduce himself. [LB227]

SENATOR KOLOWSKI: Good afternoon. Rick Kolowski, District 31 in southwest Omaha. Thank you. [LB227]

SENATOR SULLIVAN: Good afternoon. [LB227]

JAMES GODDARD: (Exhibit 2) Good afternoon. Thank you. My name is James Goddard. That's J-a-m-e-s G-o-d-d-a-r-d and I'm the director of the Economic Justice Program at Nebraska Appleseed. Nebraska Appleseed is a nonprofit legal advocacy organization that fights for justice and opportunity for all Nebraskans. Happy to be here today to testify in support of LB227. It's important to note, the jobs of the future will require our work force to have skills and training beyond the high school level. By 2018, 64 percent of jobs in Nebraska will require a postsecondary education, 64 percent of jobs. However, nearly 10 percent of Nebraskans age 18 to 64 do not have a high school diploma or equivalent. LB227 would help ensure that more of these adults have the education and skills they need to meet the demands of future jobs. The bill would reauthorize and fund bridge programs that were initiated in 2012. Bridge programs are a relatively new model of education that allow students to quickly acquire skills and credits to move into a job or postsecondary education. Typically, bridge programs involve a curriculum

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that includes noncredit and for-credit courses together to allow students to gain skills quickly. For example, a single course may include basic mathematics and introduction to nursing in the same classroom. This allows the student to gain credit while getting basic education rather than taking solely remedial courses that are not credit-bearing. Successful programs also include supportive services like job coaching, childcare, or transportation. What's being passed around right now to you is some of my remarks but in addition to that a fact sheet and an info graphic, as I would describe it, to try and help you better visualize what a bridge program is based on what I just described. As you will hear more about today, there are several bridge programs in Nebraska. As Senator Hansen said, there are four: two in Omaha, one in Lincoln, one in North Platte. Some of these programs were initiated through LB1079 in 2012 which authorized and funded the pilots in Nebraska. Over the course of the pilot programs, we've seen some promising results that I can share with you. During the most recent 12-month period, 133 students enrolled in the programs and 92 of those students got a credential for completing their program. In the fourth quarter of 2014, 54 percent of those that completed a program were employed and 22 percent were engaged in postsecondary education. With these positive outcomes, it's important that LB227 be passed and it be passed this year in order to continue the authorization and funding of these programs. In short, LB227 will help ensure our work force has the education and skills needed for the jobs of the future. And with that, I would urge the committee to advance the bill. Thank you. [LB227]

SENATOR SULLIVAN: Thank you, Mr. Goddard. As you indicated and Senator Hansen did as well...that it has been operating as a pilot program. Are there other sources of funds that are used in the different programs? [LB227]

JAMES GODDARD: The...some of the programs are here and they'll be able to talk with you more about their funding sources. Some of it is braided funding from, you know, beyond just the pilot that was authorized in 2012. However, I suspect that this is a significant piece of funding for these specific programs as I understand it. And, you know, without that reauthorization, I think some of these...the continuation of some of these programs would be somewhat in peril. [LB227]

SENATOR SULLIVAN: How do participants gain access to the programs or how do they learn about them typically, do you know? [LB227]

JAMES GODDARD: I think that there are different ways. And I believe some of the folks after me can answer that. But some of it is referrals. Some people through our Aid to Dependent Children program are engaged in employment...what's called Employment First. Employment First provides some referrals to the programs. Some of it is word of mouth. Some of it is advertising. So I think there are a variety of ways people find the courses. [LB227]

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SENATOR SULLIVAN: Were you involved in the development of the pilot to begin with?  
[LB227]

JAMES GODDARD: Yes, Appleseed worked on that piece of legislation with Senator Mello.  
[LB227]

SENATOR SULLIVAN: And was there ever any discussion of sustainability for the long haul or did you always think that it would...lottery would be the most likely scenario? [LB227]

JAMES GODDARD: Well, Senator, to be honest, I think that this could be folded in with...this is some...this is where education is going for adults, you know, whether it's adult basic education, community college level, or the fusion of it, which is kind of what this is, so I think down the road for sustainability what I would see is that the funds that we're putting towards adult basic ed and towards community college should eventually be a source to help support these programs because I think that's just where the future is going with education and why this is really important for us to get out in front of it. [LB227]

SENATOR SULLIVAN: Okay. Thank you. Any other questions? Senator Groene. [LB227]

SENATOR GROENE: Thank you, Chairman. Are these noncredit classes just prepping them to enter credited classes that they have to take? [LB227]

JAMES GODDARD: They're...the great thing about these programs is, they're a mixture of credit and noncredit. So you'll have folks that are able to get some adult basic education noncredit along with studying towards a certificate which is a credit. So that's why these are looked at as bridge programs, because they marry noncredit and credit together and allow people to quickly move ahead so that they can get a job or continue on in their education. [LB227]

SENATOR GROENE: So once they continue on then they're out of the program? [LB227]

JAMES GODDARD: Yes. [LB227]

SENATOR GROENE: It's just a step to get them into the program? [LB227]

JAMES GODDARD: That's right. [LB227]

SENATOR GROENE: Thank you. [LB227]

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JAMES GODDARD: The programs are all, you know, limited and, you know, are completed when the student is done. [LB227]

SENATOR SULLIVAN: Any other questions for Mr. Goddard? Thank you for your testimony. [LB227]

JAMES GODDARD: Thank you. [LB227]

SENATOR SULLIVAN: Welcome. [LB227]

MEGAN SHARPE: (Exhibit 3) Hi. My name is Megan Sharpe and I'm here from Customer Connect and Goodwill in Omaha, Nebraska, M-e-g-a-n S-h-a-r-p-e. My position here at Goodwill is the career services coordinator and I'm here to support our bridge programming and ask for you to continue it. Customer Connect started as a pilot program in 2010. In 2013, bridge funding came with some changes to our program and the last two years have been beneficial to Goodwill's participants and to our community. By being able to serve those with a basic skill deficiency or helping those without a high school diploma or GED, bridge programs are able to reach out to those who have been hopeless about the next step in their education or professional careers. Our Customer Connect program provides students with case management, smaller classroom, and basic skill instructor from Metro Community College in Omaha. Their classes are held at Goodwill Industries so they don't feel overwhelmed or lost in a large community of other students. Participants are allowed extra time in our computer labs if they have questions or need to catch up with work. We also have partnered with outside employers who speak on hiring practices, resume writing, pointers for when they do graduate regarding finding employment after the program ends. From June 2013 to current, 51 students have enrolled in our program. Of those students, 25 have earned a career certificate from Metro. Another 15 started but have not completed the training, 15...excuse me, 10 currently are enrolled and will graduate, so we currently have 10 enrolled in our program. We have 16 of 25 that have found employment, full-time employment at outside organizations. There really are so many great parts of this program including the participants who never thought they'd be able to finish anything or someone who didn't think they'd ever get a chance to live on their own due to a lack of income. These funds change the lives of so many in Omaha in the community and especially the population we serve. Please support the reauthorization of bridge programming and vote yes. I'd be happy to take any questions you have. [LB227]

SENATOR SULLIVAN: Thank you, Ms. Sharpe. [LB227]

MEGAN SHARPE: Absolutely. [LB227]

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SENATOR SULLIVAN: Tell me a little bit what Goodwill was doing along these lines before you had the assistance of the bridge program. Were you...did you have some kind of a program like this? [LB227]

MEGAN SHARPE: Um-hum. It was a very similar program except we had more requirements. But when bridge came into play, we...previously this was a Department of Labor contract. And when those funds expired and we came over to bridge, we were able to accept those who had basic skills deficiencies. Those who may not have a high school diploma or GED were now allowed to come into this program and to receive, you know, the extra assistance and the extra education that they needed to find employment. [LB227]

SENATOR SULLIVAN: Do you currently receive any other assistance from the Department of Labor? [LB227]

MEGAN SHARPE: No, we do not. We receive 50 percent...our program runs 50 percent Department of Education bridge dollars and 50 percent private donations that Goodwill goes out and seeks. [LB227]

SENATOR SULLIVAN: How many of the participants...I think you mentioned how many are employed. How long does the program last? [LB227]

MEGAN SHARPE: Our program is six months. Metro runs on a quarter system so it will be two quarters and we do follow up for up to 24 months reaching out to them: Do you need help? Are you still looking for employment? Can you come in? Update your resume. It's a partnership. I work with them every day, three days a week. And I get to know a lot about them and what their needs and barriers are. And my job and the job of this program is to make sure that they feel confident and safe to go find employment on their own. [LB227]

SENATOR SULLIVAN: So if, after that certain period of time, they aren't employed, you still keep working with them up to, what, 24 months? Is that what you said? [LB227]

MEGAN SHARPE: Yep. Yes, ma'am. [LB227]

SENATOR SULLIVAN: Okay. All right. Thank you. Any other questions for Ms. Sharpe? [LB227]

SENATOR GROENE: I have one. [LB227]

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SENATOR SULLIVAN: Senator Groene. [LB227]

SENATOR GROENE: Thank you, Chairman. How do you apply for that? Is it by student? Does each student apply for the money or...\$200,000 isn't a lot of money in politics. How much did you get and then how were you selected to get the funds? [LB227]

MEGAN SHARPE: From the bridge dollars? [LB227]

SENATOR GROENE: Yeah. [LB227]

MEGAN SHARPE: We apply and then they distribute. I don't...I'm not sure. [LB227]

SENATOR GROENE: Was it by student or as a grant? [LB227]

MEGAN SHARPE: As a grant. [LB227]

SENATOR GROENE: And how much did you receive of the... [LB227]

MEGAN SHARPE: Ninety-six thousand, I believe. [LB227]

SENATOR GROENE: And that was for all of the stuff? [LB227]

MEGAN SHARPE: That was just this year. Last... [LB227]

SENATOR GROENE: For which...for one location of the Salvation Army or Goodwill or all of them? [LB227]

MEGAN SHARPE: No, no, yeah, Goodwill Industries. [LB227]

SENATOR GROENE: For one location or was it statewide? [LB227]

MEGAN SHARPE: For one location, I believe. [LB227]

SENATOR GROENE: All right. Thank you. [LB227]

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SENATOR SULLIVAN: Any other questions? Thank you for your testimony. [LB227]

MEGAN SHARPE: Absolutely. [LB227]

SENATOR SULLIVAN: Welcome. [LB227]

BILLIE BROOKS: Hi. My name is Billie Brooks, B-i-l-l-i-e B-r-o-o-k-s, and I am a receptionist for Goodwill Industries and I am also a 2013 graduate of Customer Connect. And I'm here today to support the bridge program reauthorization. For 40 years, I worked in manufacturing. I provided for my family. But when the company started downsizing and outsourcing, I was laid off. And I could not find another job because of the barriers that was in my way: One, I was not a high school graduate, and then my age was playing a part in that. But the jobs I had experience to do wanted documented education. And as I said, I did not graduate from high school. So I seen the ad for Customer Connect in the newspaper 2010 but at that time I did not qualify for it. I saw it back again in 2012 and I called and I spoke with a coordinator. And they explained the requirements. I came in, I took the TABE test and I was accepted. I worked hard and I completed the program. The hard work paid off in the fact that I'm the permanent receptionist at Goodwill. I had always wanted a job in the community and the position gives me the opportunity to encourage anyone who comes to Goodwill that needs a life change. I am very thankful for Goodwill and the bridge funding for changing the program requirements and making it possible for people like me to obtain the skills to reinvent myself and change my life through the education, the training, and the work. And I would like to say again, please support the reauthorization of the bridge program and vote yes on LB227. And I would be happy to answer any questions for anybody. [LB227]

SENATOR SULLIVAN: Thank you, Ms. Brooks, appreciate your testimony. You said that after your second time of applying, the qualifications were different that made it possible for you to enter the program. What was the difference, do you know? [LB227]

BILLIE BROOKS: Well, at first they had a age limit. And then the next time it was in the paper you also had to already have your GED or high school diploma. But I'm saying when bridge came in, they took all of that away. And so by me just being able to test and score to where I could get in, I was able to get in. [LB227]

SENATOR SULLIVAN: So when you took the Customer Connect course, what all was involved in that? [LB227]

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BILLIE BROOKS: It was the basic math, English, and then we got some business courses in there. We got computer classes, a lot of things that I really hadn't been familiar with by working in the manufacturing. And then through the internship I got to get a lot of other experiences like money handling and everything to carry me along. [LB227]

SENATOR SULLIVAN: Okay. Thank you. Any other questions for Ms. Brooks? Thank you for your testimony. [LB227]

BILLIE BROOKS: Thank you. [LB227]

SENATOR SULLIVAN: Welcome. [LB227]

TERESA PICCOLO: (Exhibits 4, 5) Good afternoon. I'm Teresa Piccolo, T-e-r-e-s-a P-i-c-c-o-l-o. I am the bridge coordinator at Mid-Plains Community College in North Platte. Our program is a ten-month program. The students do receive 27 to 30 college credits when they...upon completion of the program. Additionally, we require the students to work on study skills, job soft skills every week. That's something that I coordinate and oversee. Additionally, the students participate in writing cover letters, updating and/or creating their resumes and also job shadowing experiences throughout the community. Upon successful completion, the students receive a certificate or a diploma from Mid-Plains Community College. Financial and educational support are key to the student successes. The first year, Mid-Plains Community College offered a design program in informational technology. The PC support diploma was designed to provide students with the skills necessary to troubleshoot and implement a course of action necessary to solve customers' hardware and software problems. The students successfully completed 30 college credit hours, all with honors, and they received their PC support diploma in May of 2014. The second bridge program started July of 2014 and we chose the area of business technology. The Mid-Plains Community College medical office certificate provides specialized training in medical office technology including medical terminology, scheduling, billing, insurance transcription, and office management. Students develop skills in communication and general and specific office tasks and computer applications. These students will successfully complete 27 college credit hours and receive their medical office certificate in May of 2015. This pilot program has proved extremely successful and has completely changed the lives of our students. They have been given the skills, opportunity, and confidence that they need to continue with their education and find higher-skilled and higher-paying jobs. We are asking for your support in continuing the bridge grant monies. [LB227]

SENATOR SULLIVAN: Thank you, Ms. Piccolo. How do you find your...and how do your students access your program? [LB227]

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TERESA PICCOLO: We do a lot of recruiting. I meet with 35 community agencies to explain our programs each year. And then they in turn go out to their clients and see if anyone is interested. And we do radio ads. We do Facebook. We do orientations for any interested students. I use...I also contact every GED graduate in the spring to tell them that this opportunity is available to them. [LB227]

SENATOR SULLIVAN: What other sources of funding do you have for this? [LB227]

TERESA PICCOLO: We work closely with work force development and they've been able to provide some funding to the students to help cover the cost of their textbooks. [LB227]

SENATOR SULLIVAN: If these funds were no longer available through this source, would you be able to continue the program? [LB227]

TERESA PICCOLO: I would be able to continue the program if the college would pick up the program but I don't know that the students would be able to commit to the ten months and work full time and go to school full time because they're in class about 40 hours a week with their job shadowing and study lab times. So it's very difficult. I have had students try it and they had to cut back on their workload in order to finish school. [LB227]

SENATOR SULLIVAN: Now, in each year you've had the program, you've changed your subject matter focus. How have you determined what that should be? [LB227]

TERESA PICCOLO: Working with the chamber and work force development, they tell us the key areas for the community and then the instructors at the college try to develop a short-term program to meet that need and give the students the overall skills that they'll need. [LB227]

SENATOR SULLIVAN: And you may have mentioned this but you've had successful placement of your students in work? [LB227]

TERESA PICCOLO: Yes, all of the successful students have been placed in jobs. [LB227]

SENATOR SULLIVAN: Okay. Thank you. Any other questions for Ms. Piccolo? Senator Kolowski. [LB227]

SENATOR KOLOWSKI: Thank you, Madam. Ms. Piccolo, on total dollars for Mid-Plains, how much has gone into this program from the fund? [LB227]

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TERESA PICCOLO: We asked for \$40,000 this year. [LB227]

SENATOR KOLOWSKI: Thank you. Thank you very much. [LB227]

SENATOR SULLIVAN: Senator Groene. [LB227]

SENATOR GROENE: Maybe I didn't hear it but how many students are in the program annually? [LB227]

TERESA PICCOLO: The first year we had six and this year we had five. [LB227]

SENATOR GROENE: And these are students that wouldn't normally get into the college through... [LB227]

TERESA PICCOLO: No. [LB227]

SENATOR GROENE: ...Pell Grants and... [LB227]

TERESA PICCOLO: Correct. [LB227]

SENATOR GROENE: ...because of their...they need some prerequisites, kind of? [LB227]

TERESA PICCOLO: Yes, skills. [LB227]

SENATOR GROENE: Thank you. [LB227]

SENATOR SULLIVAN: Do you know if any of them who have completed the program, aside from going into employment or continuing employment, have they gone on for additional education? [LB227]

TERESA PICCOLO: Yes. We have two students who are currently working on their associate's. One will receive his in May and the other one in August. [LB227]

SENATOR SULLIVAN: Okay. Very good. Any other questions? Thank you for your testimony. [LB227]

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TERESA PICCOLO: Um-hum, thank you. [LB227]

SENATOR SULLIVAN: Welcome. [LB227]

DECUBANISE WINFREY: (Exhibit 6) Hi. My name is Decubanise Winfrey, D-e-c-u-b-a-n-i-s-e W-i-n-f-r-e-y. I'm here to support the bridge program of Mid-Plains community college. I am participating in the 2014 to 2015. I was pregnant at 16 so I dropped out of high school to take care of my son. And then I received a job in a nursing home to support my family. I continued working various jobs to support my son and I and did not have the time or the money to finish my education. I was promoted to many management positions but could not get the pay that I deserved because I did not have an education. When my son was 12, I decided to go back and get my GED. I received my GED in 2004. I applied for the MPCC bridge grant because it was my opportunity to return back to college and further my degree and better my life. The bridge grant medical office certificate program interests me because I've always had an interest in the medical field and it seems like a stable career path. My instructors show interest in me and make the class very hands on to where what I learn in class, I will be doing on the job. My classes at MPCC have helped me focus my career goals to become a coder. It was very helpful that the bridge program works with work force development and other community partners to help with financial assistance and networking. I also appreciate the bridge grant coordinator is here to help me with my classes that frustrate me and keep me focused on my goals. I learned that I can do anything I apply myself to and my age is not a reason not to better myself. I am on schedule to receive my medical office certificate in May of 2015 and will be continuing with classes to receive my associate's degree in May of 2016. I truly feel that the bridge grant should continue at MPCC so that it can help other people that need the assistance, support, and guidance to help them successfully just like myself. Thank you for taking your time to listen to my story. Any questions? [LB227]

SENATOR SULLIVAN: Thank you. Thank you, Ms. Winfrey. Any questions for her? Thank you for your testimony. Welcome. [LB227]

LEEANN PANCHAROEN: (Exhibit 7) Welcome. Good afternoon. My name is LeeAnn Pancharoen, L-e-e-A-n-n P-a-n-c-h-a-r-o-e-n. I'm done. That's really it. I am here representing Southeast Community College. I am the project coordinator for our bridge program. Our bridge program is a collaboration between Southeast Community College, ResCare Workforce Services, Vocational Rehab, the Department of Labor, and the Center for People in Need. The Pathways to College program is designed for individuals who are low income or experience barriers to success, either financial or educational. Students enrolled in our program receive both support to improve their basic educational skills and college credits as they continue their educational path towards a postsecondary certificate, diploma, or degree in the Office Professionals program.

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Students enrolled spend an intensive six-hours-a-day, ten-week program working on their academic skills as well as their social skills. With students enrolled in two classes in the Office Professionals program, Microsoft Applications and Keyboarding, they have a supervised homework hour where they work with both the adult basic education instructor as well as the office professionals instructor and then they can really get good, comprehensive support. They also spend an hour working on their basic educational skills. We always have a few students each quarter that still need to work on their GED so they get to work with a GED instructor very intensively. And for the students who have their GED, they just get to brush up on their academic skills. At the end of the day, we have a success seminar which is a life skills class designed to really pull it all together. We really focus on those essential nontechnical skills that will help them be successful as they move forward. Since the program began enrolling students in June of 2013, 37 students were enrolled and 32 have earned college credits. Of those 32, 12 are still enrolled at Southeast Community College and continuing their educational journey. This program is really poised to continue its successful trajectory, but without funding this program will end. Do you have any questions? [LB227]

SENATOR SULLIVAN: Thank you, Ms. Pancharoen. You mentioned in your first remarks that there are a variety of different agencies that cooperate. [LB227]

LEEANN PANCHAROEN: Yes. [LB227]

SENATOR SULLIVAN: Do they provide additional sources of funding? [LB227]

LEEANN PANCHAROEN: They don't provide funding, but ResCare and Vocational Rehab do help pay for books for the clients that we share in common. [LB227]

SENATOR SULLIVAN: And so then at your final remarks you indicated that without this funding, those program...that program would go away? [LB227]

LEEANN PANCHAROEN: Absolutely. [LB227]

SENATOR SULLIVAN: Okay. Any other questions? Senator Kolowski. [LB227]

SENATOR KOLOWSKI: Thank you, Madam. Would you...what is the amount of money from the grant to your school? [LB227]

LEEANN PANCHAROEN: We get about \$43,000 a year... [LB227]

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SENATOR KOLOWSKI: \$43,000? Thank you. [LB227]

LEEANN PANCHAROEN: ...over a two-year period. [LB227]

SENATOR KOLOWSKI: Thank you very much. Thank you. [LB227]

SENATOR SULLIVAN: Any other questions? Thank you for your testimony. [LB227]

LEEANN PANCHAROEN: All right. Also, who will be speaking next, her name is Lois and she's one of our clients. She is deaf and she's asked me to sit, like, kind of beside her so in case you have any questions...she's fabulous at reading lips, but just in case something pops up, I'm just here to help facilitate that communication. [LB227]

SENATOR SULLIVAN: Thank you. Sure, sure. [LB227]

LOIS PRICE: My name is Lois Price. It's L-o-i-s P-r-i-c-e. I came from a family, that was very abusive, of five. My father abused us mentally and physically so I had a really hard background. I left home, made really bad choices, got straightened out, turned myself around, had a job for 11 years working in a factory, had some life-altering experiences which...my husband has become disabled along with some mental and...abuse with my children. And I had to walk away from my job and the things that happened there, and I never thought I'd...I hit rock bottom, didn't know where to go. So I "seeked" counseling and they told me about Vocational Rehab. But with me not hearing, I have a really hard time finding any work. They suggested I checked out...Vocational Rehab, I "seeked" them out time...to think they can't do nothing for me. And then they decided to put me in a program which was Pathway to College bridge thinking, you know, I'm not going to do nothing there either. I'm 51 years old, were a houseworker, left them behind, so I went into their classroom really with a bad attitude. But I walked out of there eight weeks later a total different person. They helped me. They encouraged me. My self esteem went way down to...little better. And with the financial people they would bring in during our classroom teaching us how to do things that we didn't know how to do...I didn't think I could ever go to college, with my disability was not even foreseen. They helped me get caption in my classrooms. So I sit with a computer instructor. There was a mic for me so I could follow along, to do all my homework, do what it needs to be done, and Pathway, they're just...instructors are always there encouraging us, totally...like today, I skipped one day in class because I had to give a speech. I couldn't do it. So I took a lower grade. Today was the first day I've spoke in front of anybody. [LB227]

SENATOR SULLIVAN: You're doing a great job. [LB227]

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LOIS PRICE: So that's pretty much about it there. They're there for us. Wouldn't be for them, I don't know where I'd be. [LB227]

SENATOR SULLIVAN: Thank you so much for your testimony. How far into the program are you? How much longer do you have to go? [LB227]

LEEANN PANCHAROEN: How much longer do you have in the program? [LB227]

LOIS PRICE: I graduate...my foresee graduation date is March 2016 in a business profession that I never thought I could do. [LB227]

SENATOR SULLIVAN: And what do you hope to be doing after graduation? [LB227]

LEEANN PANCHAROEN: What do you hope to be doing after graduation? [LB227]

LOIS PRICE: Thanks. [LB227]

LEEANN PANCHAROEN: What do you hope to be doing after graduation? What do you hope to do after graduation? [LB227]

LOIS PRICE: Hopefully find a profession where I can work kind of in the back office, because I know I can't talk on the phones, which I'd kind of like to try, but finally I'm doing something more productive than a warehouse worker which I thought I was going to do the rest of my life. [LB227]

SENATOR SULLIVAN: Okay. Thank you so much for your testimony. Other questions? Good luck to you. [LB227]

LOIS PRICE: Thank you. [LB227]

SENATOR SULLIVAN: Welcome. [LB227]

DOMINIQUE RICHARDS: (Exhibit 8) Hi. I'm Dominique Richards, D-o-m-i-n-i-q-u-e, Richards, R-i-c-h-a-r-d-s. I'm a Pathway to Bridges (sic)...I'm here to support them. And I'm a SCC student. I'm originally from Omaha, Nebraska, but I moved back and forth to Lincoln part of my life as well. I come from a troubled background whereas your dreams are just a fantasy and success was only in my imagination. I first found out about the Pathway to Bridges (sic)

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program through a newsletter through the Lincoln Housing Authority. And it couldn't have come in a better time in my life. I walked into the Pathway to Bridges (sic) program a disappointment to my family, myself, and my peers. Before this program, I would settle and marinate in my problems but now I face them boldly with both of my feet planted on the ground no matter what the situation comes my way, I know I have the strength to overcome it. Through this program it taught me it's not always about falling. It's about learning how to get back up when you do fall. This program helped me to get back on the winning team. It helped me to learn how to spin negative things positive. It helped me to, just within this last year, it motivated me just with the things that happened, the experiences in my life that prevented me from being successful, it...then just from the program, it motivated me that I can do it and be successful. But just from the values from the program it...and it introduced me to people at SCC that's helping to support me to move forward in my life. Now not only did this program encourage me to be a successful student with only a few quarters left to graduate, it directed me and led me into sources that's continually helping me to be an awesome work study and a better student. Now I'm on a nonstop path to success and I'm confident in achieving my goals with the constant help of others that keep pushing me forward. This program is a must. Without this program, I would probably still be lost and not having the sparkling flame that's...was burning in me to succeed. I wouldn't be such an example for my fellow peers that's trying to make it the same way I did. The confidence that was deep inside of me to believe in myself that I can do it, I wouldn't have that extra push. I would not have the sources I know to keep me on the path of righteousness. I wouldn't have had the courage to break the cycle of my generation and encourage others. I would not be here today thanking the people that had something to do with my success. You see this program is needed for others like me that need that extra push no matter what background or circumstance. This program is here to encourage you, to keep the fire that you lit in yourself burning, motivating you that you can achieve whatever you believe in for yourself, to keep pushing you forward if it's just by the simple words, you can do it. Even if you have to fake it until you become it, this program will help you to succeed. And I stand honored to give great thanks to the Pathway to Bridges (sic) program. [LB227]

SENATOR SULLIVAN: Thank you, Ms. Richards. Tell me a little bit more about the support system, because it's more than just the classes you take. What sort of supports do you get through the pathway program? [LB227]

DOMINIQUE RICHARDS: Well, you know, any...you know, life problems happen every day, you know? Even if you get a flat tire or something like that, they're there to like, oh, you know, don't let this keep you down, you can still get back up and keep pushing, you know? Even if you don't do good on a test or anything, don't stop there. You can get back up. You can do this. [LB227]

SENATOR SULLIVAN: Okay. So you have a counselor that works with you or a... [LB227]

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DOMINIQUE RICHARDS: No, just the teachers, the teacher... [LB227]

SENATOR SULLIVAN: Oh, the teachers, okay. [LB227]

DOMINIQUE RICHARDS: ...and everybody. SCC is a great support system, you know, just the teachers and the individuals there. They're always there to encourage you that you can do it. [LB227]

SENATOR SULLIVAN: And how much longer do you have before completing the program? [LB227]

DOMINIQUE RICHARDS: Well, I only have four quarters left, so March of 2016. [LB227]

SENATOR SULLIVAN: And what do you hope to do after that? [LB227]

DOMINIQUE RICHARDS: Well, hopefully I'll be working at SCC. (Laughter) [LB227]

SENATOR SULLIVAN: Okay. Any other questions for Ms. Richards? Senator Kolowski. [LB227]

SENATOR KOLOWSKI: Thank you, Madam. Dominique, congratulations and good luck on all your work. What do you feel would be the biggest differences between high school that you've attended compared to where you are now and the gap between what you experienced there compared to this place? [LB227]

DOMINIQUE RICHARDS: Well, in high school I can't say I really had that support system as I do. You know, with this program, they're there for you anytime you need them. They're there to help you along the way. In my high school, it wasn't...I didn't have that support system that keep me pushing. I could have dropped out tomorrow and wouldn't nobody, you know, care, I guess. So it's just that support system that you can do it, you can make it. You know, if I believe in myself, I can do it, you know, I guess. Did that answer your question? (Laugh) [LB227]

SENATOR KOLOWSKI: Very good. Thank you and good luck. That's wonderful. [LB227]

DOMINIQUE RICHARDS: Thank you. [LB227]

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SENATOR SULLIVAN: Any other questions? Good job. Any other proponent testimony for LB227? Welcome. [LB227]

GWENDOLEN HINES: Good afternoon. My name is Gwendolen Hines, G-w-e-n-d-o-l-e-n. My last name is Hines, H-i-n-e-s. I am with the social justice committee of the Unitarian Church of Lincoln. And I don't have any stories to tell or data to share but just that...we just wanted to say that we support this program that helps people who are behind educationally to catch up and get a good job for themselves. And we think that the program should be funded and should be expanded. And that's all I have to say. Thank you. [LB227]

SENATOR SULLIVAN: (Exhibits 9, 10) Thank you, Ms. Hines. Any questions for her? Thank you for your testimony. I would also like to read into the record two letters of support for LB227, one from Stacy LaCore of Lincoln and also from Greg Agena of ResCare Workforce. Anyone wishing to speak in opposition to LB227? Or anyone in a neutral capacity? Is Senator Hansen still here? I guess not. [LB227]

SENATOR KOLOWSKI: He had to step out. [LB227]

SENATOR SULLIVAN: Okay. All right. That closes the hearing on LB227 and we will now move on to LB402. Welcome, Senator Baker. [LB227]

SENATOR BAKER: Thank you, Chairwoman Sullivan, fellow Education Committee members. You have LB402 in your notebooks in front of you. LB402 was introduced on behalf of the Educational Service Unit Coordinating Council. I'm just going to frame the matter for you. The current distance learning incentives for sending and receiving districts with the Education Innovation Fund are set to expire June 30, 2016. I attended the hearing here on November 19 with the...last year's Education Committee. And the committee heard much testimony from representatives of small schools and service units that serve them, particularly those from sparsely populated parts of Nebraska, regarding the importance of distance learning to their students. There is a recognition on the part of the Educational Service Unit Coordinating Council that funding through the Education Innovation Fund is not likely to continue past June 30, 2016. Accordingly, the proposal is for funding, not incentives, but funding through General Fund for just the course origination sites. Receiving sites would not receive funding. Fiscal notes, there's a couple of them on there. One is just under \$580,000 a year. The other is for \$550,000 per year. Our legal counsel, Tammy Barry, has provided Education Committee members with technical notes with which I agree with regards to the modification of the language in LB402. There was no intent to impact any programs that are still running through June 30, 2016. It's important for all of us to support high-quality, rigorous, and relevant learning opportunities for all students in Nebraska. It is more difficult for small, rural districts to have inhouse staff to reach those higher-

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level, dual credit courses. Funding for school districts willing to originate distance learning courses will likely enhance the opportunities for students in other districts to have access to receive those courses. For that reason, LB402 is introduced. [LB402]

SENATOR SULLIVAN: Thank you, Senator Baker. I presume that some of the people that will be following you have some more details about how the program works? [LB402]

SENATOR BAKER: Correct. [LB402]

SENATOR SULLIVAN: Okay. Any questions for him? All right. Thank you very much. Welcome. [LB402]

DAVID LUDWIG: (Exhibit 1) Good afternoon. I'm David Ludwig, D-a-v-i-d L-u-d-w-i-g, executive director for the Educational Service Unit Coordinating Council. And I'd like to thank you for the opportunity to share my support for LB402. As we consider the...your efforts through LB1103, a clear path, direction, and structure has been provided for the Nebraska educational system. That's reflected within the statewide vision, the mission, and then even goal one of goal four which reads, "Provides quality educational opportunities that engage and prepare Nebraskans for success in learning." This direction is most important as you consider enrollment within the state and how we as a statewide school community can best meet the needs of our 307,000 students. The single-page handout I provided for you looks...it's a map. Oh, it must be on its way. Okay. Anyway, I'll just keep going. Within this map, this lists the enrollment within each service unit of the state. And as you look at the enrollment, once you get it, within ESU 7, and we have...71.2 percent of our students receive instruction within an area from Columbus, which is ESU 7 east, to Columbus which is ESU 7 south. So if you'll consider that, we have 71.2 percent of our students within the state educated within the southeast corner of the state, okay? And so the question we need to ask is, how are we going to continue to provide the structure for equal and equitable educational opportunities for all students within the state? Now, the second and third handouts provided for you, this is five-year trend data on the amount of the school districts that were participating as sending districts and those that we participating as receiving districts and...through LB1208, which sunsets at the conclusion of this year. And as you look at the last page of each handout, you'll see the total that was allocated for each of the year for the past five years. And you'll see for sending districts, it was right around \$500,000. And for receiving districts, the total dollar amount was \$800,000, around the \$800,000 mark. That was allocated for receiving districts. So when considering the big picture regarding statewide funding, it was felt through statewide dialog that continued support for distance education be provided for funding, sending...or for sending districts only. And the level of funding that was provided through LB1208 was greatly appreciated. But this bill reflects an understanding of current funding and yet continues to provide support for statewide collaboration and equal

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opportunities for all students. And Senator Baker's time and effort in supporting this bill is greatly appreciated. So as we consider the needs of all 307,000 students within the state, it's most important we understand statewide student enrollment data and strive to provide equal and equitable opportunities for all students regardless of their place of residency. So, therefore, your support for LB402 is greatly appreciated. So...and my colleagues will provide some specific examples of how it has been used in the past. [LB402]

SENATOR SULLIVAN: Thank you, Mr. Ludwig. Can you give me an idea of what some of...are some of the expenditures that go into sending and receiving these courses? [LB402]

DAVID LUDWIG: Well, it would be...and that's where my colleagues will be able to provide that picture as well, but it would be for organizing the lesson, the class in and of itself, the...setting up the technology for the sending districts as well. But again, my colleagues would be able to provide more of a definite example of that. [LB402]

SENATOR SULLIVAN: Okay. And I assume they'll talk about a little bit more, too, about who does all the coordination and... [LB402]

DAVID LUDWIG: Right. [LB402]

SENATOR SULLIVAN: ...information about what's available? [LB402]

DAVID LUDWIG: Right, right. And that would come through the sending districts. [LB402]

SENATOR SULLIVAN: Are you at all concerned that there might be some volatility in trying to go after General Funds for this kind of support? [LB402]

DAVID LUDWIG: There could be. I guess, again, what we're trying to do is provide some level of funding to support, you know, school districts from...not only on the east side of the state but also within the...on the western side of the state as well, so. [LB402]

SENATOR SULLIVAN: And to that end, was any discussion had about looking at, since we already do provide some support through the distance education allowance in the school funding formula, of taking a closer look at that and how we might handle changes in it? [LB402]

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DAVID LUDWIG: I know I had a conversation with Dr. Blomstedt and Brian Halstead and that was one thing we looked at, 79-1337, which provides the funding there. And that's where we felt, at that point in time, use that then revise to where we are today, so. [LB402]

SENATOR SULLIVAN: Okay. Very good. All right. Any other questions? Thank you for your testimony. [LB402]

DAVID LUDWIG: Thank you. [LB402]

SENATOR SULLIVAN: Welcome. [LB402]

BRIAN GEGG: (Exhibit 2) Thank you, Senator. Good afternoon. I'm Brian Gegg, B-r-i-a-n G-e-g-g. I'm the administrator at Educational Service Unit 5 in Beatrice and I'd like to thank you for this opportunity to come before the education committee and express my support for LB402. As this committee and the Legislature formulates its vision for education in the future, the funding of education...distance education is vital for expanding affordable access and opportunities for all students across our state. As school districts, parents and students look for and demand more diverse and robust curriculums, distance learning is a way to provide those opportunities. Distance learning helps schools overcome obstacles that sometimes limits their course offerings whether it's geographic location, limited access to qualified instructors, budget constraints, declining enrollment, or a single student's interest in a specific subject, distance learning can overcome these barriers. The funding within LB402 will facilitate and continue the accessibility and growth of distance education across our state. ESU 5 is one of the Educational Service Units that sends DL courses to our schools. This was brought about by the request from our ten school districts to find new ways to help them deliver additional classes to their students. Beginning in 2009, we began to provide elementary science enrichment courses for students in 3rd through 6th grades. Our two full-time science instructors work in conjunction with the district's elementary teachers to deliver lectures, presentations, projects, and experiments that reinforces and enhances their curriculum. To keep the cost down, we use the current distance learning funding formula to help subsidize and reduce the cost to our schools. The program is so successful that the schools had requested and we began to offer summer science camps. This past summer, we offered ten camps that was attended by over 450 elementary students. These camps were an outgrowth of our DL science program which wouldn't have been possible without the distance learning initiative funding. ESU 5 also does dual credit/AP Mandarin Chinese language courses via distance learning. In conjunction with the University of Nebraska's Confucius Institute, we began sending 11 sections of Chinese I, II, and III to Meridian, Deshler, Beatrice, Kearney, Grand Island, and Omaha Northwest High Schools. For the 2015-16 school years, we already have requests for 15 sections of Chinese. We have two native Chinese language instructors in Beatrice. And due to growth, we anticipate adding a third instructor in the 2016-17

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school year. Because of the DL incentive funding, we are able to offer this program at no cost or at a greatly reduced rate to our schools. Again, I'd like to thank the committee for allowing me to share my support for LB402. I strongly urge that you continue the funding for distance education in Nebraska and it's a viable resource that will continue the growth and education opportunities for our students. [LB402]

SENATOR SULLIVAN: Mr. Gegg, xia xia, that's the extent of my Chinese. (Laughter) That's "thank you." Tell me a little bit more about...you mentioned, in the science distance learning, experiments. It seems a little problematic to conduct an experiment through distance education. [LB402]

BRIAN GEGG: Yeah, what our...we call them the science guys. What they do is, they track along with the school districts as they're going through it. And then usually what it is...do is they do...we send materials out to the school districts. And then our science instructors perform the experiments for the schools and then sometimes they have tagalong experiments that grow off those. And then when they come back in another week, they usually try to get the results of the kids' experiments. And they usually also do it for the kids right before they go off the air. [LB402]

SENATOR SULLIVAN: So then how did the camps work logistically? Were they held in the individual school districts? [LB402]

BRIAN GEGG: School districts, yeah. They were...they ranged from...anywhere from two- to four-day camps. And we had some school districts that went together. We had larger ones like Beatrice and Fairbury that had four-day camps in there. And then that...it's the 3rd through 6th grade students that come out. And then our science instructors plus the schools' instructors facilitate the camp. And they're generally kind of built upon what they completed throughout the year and with a lot of STEM put into there. [LB402]

SENATOR SULLIVAN: Thank you. Any other questions? Senator Kolowski. [LB402]

SENATOR KOLOWSKI: Thank you. Thank you, Madam. Mr. Gegg, on the work that ESUs are doing in BlendEd, combine this for me. Help us to understand where this request is compared to what BlendEd is hopefully going to be doing or make available to the state. [LB402]

BRIAN GEGG: Yeah, I think the BlendEd Initiative is going to be kind of a marriage between the two. You have some schools that...out west that maybe have some geographic, you know, limitations. And so with the BlendEd, you can do some DL materials that also is kind of

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additional to some of the classroom work. And BlendEd is...it's...also have Learning Object Repositories for materials that's put in for resources for teachers and for students. So we're in the very beginning stages of that. And I think that the days of just sitting up in front of the board and just regurgitating facts to the kids are a lot different. So the infusion of technology and DL can be a part of that. [LB402]

SENATOR KOLOWSKI: So BlendEd would be...it's just learning on steroids, kind of? Or what are you thinking in the future? [LB402]

BRIAN GEGG: Well, BlendEd is more taking the...your typical classroom. An infusion of technology would be laptops, iPads, different types of experiments in science and so forth and bringing it all together. [LB402]

SENATOR KOLOWSKI: One last question, if you could, please: The university high school program delivered online, where does that fit into this spectrum of opportunities? [LB402]

BRIAN GEGG: Yeah, I think the online courses...it kind of depends. When I was a superintendent, we had DL courses and we also had online courses. We would...schools much would prefer to have a teacher standing in front of them. But some courses, just due to the limit of instructors, it's online. And I think that's another avenue along with DL courses that gives options for kids to go ahead and do that. It's just...it's not one silver bullet. So I think we just have several of them in there. That's going to help out our school districts. [LB402]

SENATOR KOLOWSKI: Okay. Thank you. [LB402]

SENATOR SULLIVAN: Any other questions? Senator Groene. [LB402]

SENATOR GROENE: Thank you, Chairman. This doesn't include the AP classes, does it? This is elementary and high school just standard classes? [LB402]

BRIAN GEGG: Ours or Dave's? Our Chinese is AP courses and dual credits. [LB402]

SENATOR GROENE: It is, so it's through... [LB402]

BRIAN GEGG: Yeah, and it's run through, yeah, through the... [LB402]

SENATOR GROENE: But you were talking about elementary science classes. [LB402]

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BRIAN GEGG: Yeah, that is...that's just...that is not a dual credit or AP course. That's just enrichment for the classrooms. [LB402]

SENATOR GROENE: So but this duplicates some of the AP and some of the junior colleges, what they're offering through their system at...the AP classes through... [LB402]

BRIAN GEGG: Some, yeah. [LB402]

SENATOR GROENE: ...because a lot of junior colleges already do this, don't they? [LB402]

BRIAN GEGG: And we're in the process of working with Southeast Community College to look at delivering ag...dual credit AP ag. [LB402]

SENATOR GROENE: And then I'm just saying, is there a duplication between ESUs and what the junior colleges are doing? [LB402]

BRIAN GEGG: We're...I know we are working with the colleges, not against them. We're partners with them because, for high school students to get dual credit, the instructor has to be, you know, able to hold or have a high school certificate. So that limits some of our school districts to the ability to get dual credit. It would allow them to get the AP but not dual credits. [LB402]

SENATOR GROENE: All right. Thank you. [LB402]

SENATOR SULLIVAN: Any other questions? Thank you, Mr. Gegg. [LB402]

BRIAN GEGG: Thank you. [LB402]

SENATOR SULLIVAN: Welcome. [LB402]

JON CERNY: (Exhibit 3) Thank you. Senator Sullivan and Education Committee members, my name is Dr. Jon Cerny, J-o-n C-e-r-n-y, superintendent for the past 22 years at Bancroft-Rosalie Community School in Bancroft, Nebraska. I'm here to support LB402. Our school has utilized distance learning since 2003, expanding educational opportunities for our students by receiving dual credit courses in world history and psychology and also career and technical education courses in business, agriculture, and family and consumer sciences through distance learning, courses that our school was not able to offer on our own. In partnership with Northeast

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Community College, we send dual credit courses in calculus, English composition, and British literature to places such as Wakefield, Giltner, Plainview, and Arthur, a total of eleven college credits if a student were to take advantage of all three courses. These receiving sites change from year to year depending upon student interest. I support the concept of funding the sending sites up to \$1,000 for each course sent. We need to encourage those that are providing courses to other schools. Why are these dollars important? I believe that teachers that teach distance learning courses should receive some compensation for providing instruction to students outside of their own school. Our teachers never asked for any money, but as a matter of principle, I feel it's important to provide a small stipend to recognize those that go above and beyond what is expected of a typical classroom teacher. And knowing that they are bringing in additional state funds into our school by teaching a distance learning course, even if it's only \$1,000, serves as a motivator for teachers. Imagine the difficulty of trying to convince an excellent teacher that they should take on the responsibility of educating students in other schools without any sort of incentive. Bancroft-Rosalie uses the state distance learning funds to provide teacher stipends and to purchase books and materials needed to teach the distance learning classes. Because receiving schools change from year to year, we provide the textbooks to students receiving our classes. It doesn't make sense for receiving sites to purchase books that might only be used for one year. My fear is that if all the funding goes away, so may some of the course offerings. There is a cooperative attitude among schools utilizing distance learning right now and I don't understand why it is necessary to completely eliminate funding from a program that is benefiting students across Nebraska, especially in rural communities. Nebraska schools have invested a large amount of taxpayer money in the infrastructure necessary for distance learning. I ask that the Legislature support schools in our efforts to expand student opportunities through distance learning by passing LB402. Thank you. [LB402]

SENATOR SULLIVAN: Thank you, Dr. Cerny. So you've been offering some type of distance education for over a decade? [LB402]

JON CERNY: Correct. [LB402]

SENATOR SULLIVAN: So it's pretty much part of your standard way of operation in your district? [LB402]

JON CERNY: Correct. [LB402]

SENATOR SULLIVAN: Okay. Who does all the coordination in terms of, how do you know who is offering the courses and how do you get your word out that you are offering certain courses? [LB402]

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JON CERNY: It's all on the Web site called NVIS that is organized by ESUCC. [LB402]

SENATOR SULLIVAN: Okay. [LB402]

JON CERNY: So we can see what everybody is offering and we can see what time periods, what...if it's still available, that sort of thing and pick and choose what matches what our students' interests are. [LB402]

SENATOR SULLIVAN: Okay. And then does the amount of state support that is currently provided take care of all the costs involved in terms of sending or receiving a course? [LB402]

JON CERNY: No, no. No, the...a typical teacher for one class period would run anywhere from \$8,000 to \$10,000 per class period. If we're getting \$1,000, it's just...I see it more as a...you know, this is based on cooperation of schools. And this is just, I guess, a token to show that the state is supporting it because the school districts are picking up the majority of the cost of this program. [LB402]

SENATOR SULLIVAN: So to that end, if it's a state priority or if we determine that to be and if it's a necessary expense of the school districts, would it be wise to look at how we handle the current allowance and maybe change that mechanism to more be reflective of your costs? [LB402]

JON CERNY: Well, that's a good question. I'm not sure I can answer it but what I do know is that if there is no reimbursement for this, schools are going to look at other options for supporting it and one option would be to charge fees for schools taking the classes. Right now, we don't charge anything. But it's very likely that we're going to consider that depending upon what the other school districts do. We might try to recoup some costs for the cost of our teacher and put the fee at maybe \$250, \$500, \$1,000. Now, on the receiving end of that, if I see schools that are starting to ask for what I consider to be more than what is reasonable, I mean, that would...you know, we have to respond to our taxpayers. And how willing are our taxpayers going to be in my district to continue to support us providing education to other places? I'm going to say that they're going to ask me, let's get some money back for this. Are we going to price ourselves out of the market? Are the course amounts that are offered going to decrease? I don't know. But that's my fear and I feel like...is if we continue to at least provide some sort of support, maybe the spirit of cooperation that we have will continue. [LB402]

SENATOR SULLIVAN: How much do you compensate your teachers additionally for being an instructor in a distance ed course? [LB402]

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JON CERNY: Five hundred dollars a semester and \$100 for each college credit they teach. So some could make \$1,600. [LB402]

SENATOR SULLIVAN: Okay. And then how do you decide which courses you're going to send and which courses you'd like to receive? [LB402]

JON CERNY: Student interest on the receiving. On the sending, we would send as much as we possibly could if I had instructors who were willing to do it. Right now I have two that are willing. I've got another one that I'm working with to convince him. But we're not going to force anyone to do it if they're not a willing participant. [LB402]

SENATOR SULLIVAN: Okay. Thank you. Any other questions? Senator Groene. [LB402]

SENATOR GROENE: Thank you, Chairman...Madam Chairman. So these folks were already on staff. If you did this, you'd have no extra cost of other new employees to do this. These are people on staff that are doing it? Now, they're doing this, like, extracurricular after the class, after 3:00 or 3:30? [LB402]

JON CERNY: And so, well, let's say that we have a teacher who is teaching calculus and we have three students who are taking calculus and we're sending to three other sites who might have one, two, three students. So instead of preparing and grading papers for three students, he might have ten or twelve. So there is a extra time and effort involved in planning. [LB402]

SENATOR GROENE: So you're putting the existing class online. It isn't a class that they do just in front of a camera? [LB402]

JON CERNY: Correct. Correct. [LB402]

SENATOR GROENE: So it's no extra time. It's the grading of papers and stuff. [LB402]

JON CERNY: Correct. [LB402]

SENATOR GROENE: But isn't there trade-off with the other school districts if they're doing the same thing? Isn't it a wash? [LB402]

JON CERNY: That's the current situation, yes. [LB402]

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SENATOR GROENE: I guess...they're getting paid, I just thought that a lot of teachers are doing 15, 20, 30 students in a class in bigger districts. So I'm just curious why these need to be paid extra for 10, 12 students. Anyway, that's just a point. Thank you. [LB402]

SENATOR SULLIVAN: Senator Kolowski. [LB402]

SENATOR KOLOWSKI: Thank you, Madam. Dr. Cerny, thank you for your creative ways of providing opportunities for your students. It just...it sounds really great. In your tenure, 22 years, if we just went back ten years, when you look at the increase in students in free and reduced lunch/poverty situations/categories, what were your percentages ten years ago compared to where you are today? I mean... (Inaudible). [LB402]

JON CERNY: We were about 25 percent free and reduced lunch ten years ago. Now we're over 40. [LB402]

SENATOR KOLOWSKI: Over 40 percent. That's (inaudible). Thank you. And what size of the district, number of students, please? [LB402]

JON CERNY: We have 265 students pre-12, approximately 18 percent minority. [LB402]

SENATOR KOLOWSKI: Thank you very much. [LB402]

SENATOR SULLIVAN: Any other questions? Thank you for your testimony. [LB402]

JON CERNY: Sure. [LB402]

SENATOR SULLIVAN: Welcome. [LB402]

RON WYMORE: (Exhibit 4) Thank you and good afternoon. Excuse me. Ron Wymore, R-o-n W-y-m-o-r-e, superintendent of Pleasanton Public Schools. I'm here to voice support of LB402. The financial support that LB1208 provided for distance education needs to continue for the benefit of students across the state of Nebraska. The financial support helps offset the cost of maintenance and upgrades of equipment needed to send and receive classes plus a variety of technology tools to teach in the blended environment. LB402 would also help with the incentive to continue with successful programs that have been put in place. Without the financial support from LB402, we would be forced to increase fees to the schools that we send to. Our students have benefited from being able to connect with students from different cultures that they never

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experience in Pleasanton. Life stories that they have heard and shared from students from Lexington and Gibbon have been priceless for our students. They have opportunities to team...do team projects, collaborate, and communicate with students from across the state. Pleasanton has been able to expand our curriculum from adding ag classes to offering college credit for our students. We have been able to keep staff members that we would not have been able to keep without the distance classes. Over the years, the list of our courses that Pleasanton instructors have sent include entrepreneurship; economics; psychology; sociology; career; Spanish I, II, III, IV. And the courses we have received include agriculture, music theory, calculus, college algebra, statistics, college composition, and American literature. A list of districts that Pleasanton has sent to include Alliance, Allen Consolidated, Anselmo-Merna, Axtell, Bertrand, Bruning-Davenport, Crawford, Elwood, Eustis-Farnam, Freeman, Gibbon, Giltner, Heartland Community, High Plains, Kenesaw, Lexington, Litchfield, Osceola, Ravenna, Superior, Wahoo, West Point, and Wilcox-Hildreth. In addition to...our distance learning equipment has enabled us to participate in virtual field trips of all grade levels. At Pleasanton, each elementary grade has connected live, face-to-face with authors from bestselling books. Students connected with the U.S. National Park Service, Omaha's Henry Doorly Zoo, NASA, and the United States Holocaust Museum. LB402 would allow Pleasanton and other districts throughout the state to maintain and possibly expand our program that is already highly successful and beneficial to students in this great state. In closing, I would again like to voice my support for LB402 and the positive effect that it has the financial support...students that we have. [LB402]

SENATOR SULLIVAN: Thank you, Mr. Wymore, for your testimony. You mentioned that distance learning has helped with staffing, keeping staff. What exactly did you mean by that? [LB402]

RON WYMORE: Our two staff members that teach would no longer be with us if we didn't offer the distance ed. Spanish teacher sends five periods out of eight and the...our counselor sends three periods a day. Without those...they get extra money from us for doing it. The question about what teachers receive, we charge \$150 per student per semester for noncollege classes. And our teachers receive \$100 of that as incentive to teach. That has kept them in the district. [LB402]

SENATOR SULLIVAN: Now, you...okay. So you indicated one of them was a counselor, but that is sending an actual class not counseling? [LB402]

RON WYMORE: Yes, yes. [LB402]

SENATOR SULLIVAN: Okay. [LB402]

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RON WYMORE: Yeah, he has done the entrepreneurship and he does psychology and sociology and he has done career classes also. [LB402]

SENATOR SULLIVAN: And then I assume you're talking about students in this respect but you mentioned collaboration and what happens with different student contacts via distance ed? [LB402]

RON WYMORE: Well, just the lessons they learn from other students when they tell their life stories... [LB402]

SENATOR SULLIVAN: Oh, okay. [LB402]

RON WYMORE: ...in collaboration that way. And then they do some projects together over line. They use the technology we have with one-to-one or computers and they work together on Skype or whatever it might be that they work together on to collaborate together. [LB402]

SENATOR SULLIVAN: You talked about all the different public schools that you have received classes from, different other places in the United States. How many emanate from the ESU? [LB402]

RON WYMORE: None that we take start from the ESU. [LB402]

SENATOR SULLIVAN: Okay. All right. Any other questions? Senator Groene. [LB402]

SENATOR GROENE: Madam Chairman. So distance learning actually saves all school districts money because one of them has Spanish and the other one has German. One has a calculus teacher. One has a physics. So in the long run, because of it, everybody has a full staff without having to have that staff themselves, right? [LB402]

RON WYMORE: Yes and no. It allows us to expand our curriculum. Students in Pleasanton should be able to take courses that are the same that are offered in Lincoln, Omaha, or whatever. We cannot support the staff to be able to do that. So this gives us an opportunity to offer that to them. Also, with the college classes...I think that's big in high schools anymore, the dual credit classes. Students graduate and are starting second-semester freshmen or possibly as a sophomore. Then to answer your question, yes, it does help us to fill out our staff. [LB402]

SENATOR GROENE: Thank you. [LB402]

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SENATOR SULLIVAN: Senator Kolowski. [LB402]

SENATOR KOLOWSKI: Thank you, Madam. Mr. Wymore, have you done follow-ups with your students after they have graduated as to the impact of those extra courses on their preparation for postsecondary experiences? [LB402]

RON WYMORE: Yes. They come back and say that it's been extremely beneficial. Also...they also say that being on these type of classes helped them out in college once they get to classes that they have to take that other kids haven't taken. Whether it be online or whatever, they know that there's other students that are anxious about it and they've been doing it through high school. [LB402]

SENATOR KOLOWSKI: Thank you very much. [LB402]

RON WYMORE: You're welcome. [LB402]

SENATOR SULLIVAN: Any other questions? Thank you for your testimony. [LB402]

RON WYMORE: Thank you. [LB402]

SENATOR SULLIVAN: Welcome. [LB402]

GALEN BOLDT: (Exhibit 5) Greetings. Thank you, Senator Sullivan and all the members of the Education Committee. My name is Galen Boldt, G-a-l-e-n B-o-l-d-t. I'm superintendent at Wahoo Public Schools. And I'm here today representing STANCE, Schools Taking Action for Nebraska Children's Education. The 15 member schools of STANCE would like to thank Senator Baker for his leadership in support of financial incentives for school to continue or develop distance learning courses and interactive instruction in schools across Nebraska. As you know, the current funding mechanism to support distance learning, LB1208, will be discontinued at the end of the current school year. While these funds did not entirely pay for the additional costs of the technology and personnel, they fit a need and provided an incentive for many schools to explore this innovative alternative. The Education Committee has clearly identified a vision for every Nebraskan to be educated for success. Distance learning represents a proven vehicle to reach students with opportunities to develop that success which could be diminished without access to this technology. STANCE wants to thank Senator Baker for offering the legislation that provides incentives for distance learning opportunities that support the AQuESTT and BlendEd initiatives nurtured by the Department of Education. We also support the notion that DL needs to be primed in a greater way to support all innovative approaches to instruction that could support

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the Education Committee's vision for the future. As always, STANCE would like to invite the Education Committee to use our member schools as a resource to provide you information on any matter related to education. Thank you and I am certainly willing to take any questions you might have. [LB402]

SENATOR SULLIVAN: Thank you, Mr. Boldt. Any questions for Galen? Thank you for your testimony. [LB402]

GALEN BOLDT: Okay. You bet. [LB402]

SENATOR SULLIVAN: Welcome. [LB402]

LINDA DICKESON: (Exhibit 6) Thank you. Senators, my name is Linda Dickeson, and it's L-i-n-d-a D-i-c-k-e-s-o-n. And I'm the distance learning manager for the Lincoln Public Schools. My peers are the distance learning coordinators at ESUs across the state. I'm also a cochair of the statewide BlendEd initiative and the current president of the Nebraska Distance Learning Association. Thank you for the opportunity to speak. The lottery funds provided in LB1208 starting in 2006 for distance learning innovation motivated schools statewide to participate in the exchange of high school course synchronously through videoconferencing. Today, there are over 500 course offerings available in the clearinghouse called the Nebraska Virtual Instruction Source, or NVIS. LB1208 also motivated schools to join the high-speed statewide network called Network Nebraska. Ninety-six percent of K-12 schools and 100 percent of higher education institutes belong to Network Nebraska. This ample, affordable bandwidth positions us well to continue to increase the distance learning course offerings in the years to come. The Lincoln Public Schools didn't participate in distance learning until 2010, so we were kind of late in the game. That first year, only four courses were offered. But since then, we've steadily increased our course offerings so that this year, the Lincoln Public Schools offers 44 course sections with selections like 3D animation; advanced computer programming languages; digital graphic design; CAD 1 and 2, which is intro to engineering design; CAD architecture; beginning digital art; there is world languages; human behavior; literature of the Holocaust--and our remote kids like to travel to Lincoln to go on that field trip to the Holocaust Memorial in Washington, D.C.--and we have other courses. As the distance learning incentive funding from LB1208 sunsets this year, we can't be sure how many courses will continue to be shared through the statewide clearinghouse which might diminish the successful program and reduce course opportunities for Nebraska students. By continuing funding for schools in the state that are sending distance learning courses, teachers could be paid a well-earned stipend for the extra time and care it takes to teach students who are not in their building and for adding students to their already full classes. The distance learning experience could be improved through blending and personalization by providing comprehensive professional development. And sending schools

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could use part of the money for maintenance of high-quality distance learning systems that teachers use to send the course. Through funding, the state can ensure that expanded course offerings necessary for students to graduate high school and be college and career ready will continue to be available to all Nebraska students. The students at rural schools need to graduate and to be college and career ready. The Lincoln Public Schools has been and hopes to continue to be a team player in the state's vision of educating every Nebraskan for success and I'll conclude with hope that funding will continue for the expansion of distance learning. Thank you again for your thoughtful time and consideration. [LB402]

SENATOR SULLIVAN: Thank you, Ms. Dickeson. Sometimes it gets a little confusing as to who is handling what. What exactly does the Nebraska Distance Learning Association do? [LB402]

LINDA DICKESON: The Nebraska Distance Learning Association is actually a broader membership. Rather, it's not all just educators--although we do have a high percentage of K-12 and higher ed educators--we also have members from museums and zoos and nonprofit organizations that become content providers, enrichment program providers. We also have members from telehealth. We have state and local government members that are doing any kind of training or services through distance learning. So that membership is pretty broad. [LB402]

SENATOR SULLIVAN: Okay. And then who manages the NVIS? Is that... [LB402]

LINDA DICKESON: The NVIS Web site is created through a developer at ESU 10 I think funded through the ESU Coordinating Council. And, yeah, so it's been kind of in development for several years. [LB402]

SENATOR SULLIVAN: And so NVIS is the mechanism for schools to find out who is sending, who is receiving? [LB402]

LINDA DICKESON: Yes, it's the interface. And so, for instance, if I have some courses that I want to make sure everyone in the state knows about, I go to the NVIS Web site and I log in as someone that's an administrator. And then I can put my courses in there with the appropriate times, the teacher, and a description of the course. And then counselors and principals from all over the state can see those course offerings. And with a login then they can click enroll. And then I get an e-mail saying somebody has enrolled. And then I coordinate how they register. [LB402]

SENATOR SULLIVAN: And then what about Network Nebraska? [LB402]

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LINDA DICKESON: Network Nebraska is actually the member-owned statewide backbone. So all the schools and higher ed institutions pay fees to be a part of that statewide, high-speed network. And that has worked very well. Because schools needed the classes in the rural areas, it motivated them to join that high-speed network. And so we've gotten terrific response from, you know, the numbers of members in the network across the state. So it's very affordable because of the numbers of members we have and it's a very high-speed network. We are the...we are totally admired by surrounding states. When I go other conferences and things, people from Missouri, Colorado are like, oh my gosh, how did you guys accomplish this huge high-speed statewide network? You know, we are really the envy of many other states. [LB402]

SENATOR SULLIVAN: On a more local note, why did--and maybe this is just past--but why was LPS slow in coming to the distance learning game? [LB402]

LINDA DICKESON: I think it's because early on, you know, we were like, oh, we don't need any of that stuff. We've got all the teachers we, you know, need. We've got all the courses we need. But, you know, times changed. And then starting in 2008 when times started getting tough, a lot of teachers retired that we didn't necessarily replace. So we started to see needs within our own district. So being able to participate as a sending school gave us a little bit of money back so that we could build the infrastructure. The LB1208 provided the funds to buy equipment and get the infrastructure in place. So besides being able to send other courses to all the rural communities, we were able to solve some of our own problems across the district... [LB402]

SENATOR SULLIVAN: Thank you. [LB402]

LINDA DICKESON: ...by connecting students. [LB402]

SENATOR SULLIVAN: Okay. Any other questions? Senator Kolowski. [LB402]

SENATOR KOLOWSKI: Yes, thank you, Madam. Thank you for your testimony, Linda. Where does Nebraska ETV fit into the spectrum of all this? We've asked about some of the other groups and associations in town or in the state. [LB402]

LINDA DICKESON: I don't know that I'm going to be the expert on those conversations. I'm not always at the table when those conversations happen. But they do have a lot of video content, of course. And they're, I believe, looking for ways to help deliver that. They've been at the table in some of the BlendEd conversations of how some of their content can be provided in a content repository. So beyond that, I don't think I'd be able to address where they sit. [LB402]

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SENATOR KOLOWSKI: I'm glad you're having conversations and just trying to find out where all the resources... [LB402]

LINDA DICKESON: Yeah. [LB402]

SENATOR KOLOWSKI: ...potentially in the state that we could touch on are being dealt with. So thank you. [LB402]

LINDA DICKESON: Yes. [LB402]

SENATOR SULLIVAN: Any other questions? Thank you for your testimony. Oh, Senator Groene, do you have something? [LB402]

SENATOR GROENE: You...yes, thank you, Chairman. You partially answered it. What...how many students do you have participate and how many of them are your own students? [LB402]

LINDA DICKESON: Well, our scenario is that any of the courses that we offer that are in that list are already full. Our classrooms are 28, 30, 32 kids full. So when we connect remote kids, the most I can really accept into any of those full classes would be an additional two or three students. So we have...we've got our 30 local kids in that class and then the videoconferencing unit sitting where the teacher can interact. And those remote kids are a part of the class. And they do group work with the LPS kids. And so numbers? Again, we serve about...probably about 50 remote students each school year. But that number is growing every year. [LB402]

SENATOR GROENE: But within your Lincoln High versus Southeast, I mean... [LB402]

LINDA DICKESON: Oh, that changes from semester to semester depending, yeah. [LB402]

SENATOR GROENE: So of your 30 students, is that sitting in the classroom or are some of them in Southeast listening to a physics teacher in Lincoln High? [LB402]

LINDA DICKESON: No, mostly...yeah, mostly the connection...mostly we deal with one connection to a remote school along with our local class. We've done some intradistrict connecting but that's on an as-needed basis, one kid that needs Chinese or whatever. So it hasn't been prevalent at this time. [LB402]

SENATOR GROENE: Thank you. [LB402]

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SENATOR SULLIVAN: Thank you for your testimony. Welcome. [LB402]

MARCIA GRANEY: (Exhibit 7) Thank you. My name is Marcia Graney, M-a-r-c-i-a G-r-a-n-e-y, and I'm here to represent my students who I serve in western Nebraska. I'm here to speak on behalf of your support of LB402. I teach Spanish to the...through the distance learning system. I teach to six schools which you will see on the map and where it is located throughout Nebraska and as well as the schools that are located down the side of my testimony. And I'm speaking on behalf of my students. I teach totally distance learning Spanish. I teach to about 150 students a year and they are scattered across two time zones and what seems like sometimes four climatic systems. (Laughter) Distance learning is probably one of the most fulfilling and challenging teaching opportunities I've ever had in 30 years of education. And it is wonderful. It is probably...it's a very effective way of teaching. Students today are very adaptable to new technology and soon become very comfortable with this method of learning. Classes are live and function very closely to normal classrooms. With advances in technology, DL can be taken anywhere into classrooms such as science, technology, advanced math, FFA, ag, global agriculture, robotics, and more. There's no limit. If you read the quote at the top of my testimony, DL classes allow my schools to become something bigger than just a building. If you look at my testimony on the back pages, please read the words of my students. Those are all quotes from my students. Distance learning is vital to rural school districts, as it is often the only means for them to meet Rule 10 requirements for accreditation. Their remote locations make it difficult to hire individual teachers for advanced and specialized classes such as foreign language, advanced biology or advanced math. To provide their students equal access to college-track classes, they need to share teachers with other schools. Currently, there is a strong movement in our area to do that very thing. Distance learning, while providing students important curriculum, also provides students in these rural areas unique opportunities to simulate their future working environment. Business today is conducted through videoconferencing, webinars, Skype, and other technology. Collaboration in the workplace may be with coworkers throughout the United States or even the world. All these skills are taught and used daily in a distance learning classroom. Students who have worked on the DL system will be successful in the global workplace. Please remember, Senators, that investment in education is investment in a child, investment in a school, and an investment in a community. [LB402]

SENATOR SULLIVAN: Thank you, Ms. Graney. When you say that being a teacher in a distance learning class is both fulfilling and challenging, can you elaborate on that a little bit? [LB402]

MARCIA GRANEY: Challenging in blending them. They come from a variety of different economic and social situations. I have ranchers in Thedford. I have railroad workers from Brady. I have beet farmers in the Leyton, which is Dalton/Gurley. I have rancher-farmers in the southern part of the state. They come from different sizes of communities. They come from different

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economic situations. And just blending that is a challenge to get them to be one class. Fulfilling because I see them grow so much through distance learning: It is amazing how they will...how they step up and become this, coming here to present and do their businesses. I have no doubt my students would be able to do this. I wish I could have brought them today. [LB402]

SENATOR SULLIVAN: Are you saying that just the medium, the distance learning, provides a little different twist for the education of the child? [LB402]

MARCIA GRANEY: It really does because these students have maybe had eight, twelve students in their class throughout their life. And they've always been and interacted with those same 12 students. They know what that...their classmate is going to say before they say it. Now they have to interact with students from other schools. They become friends. They meet on the competition floors. And it totally enlarges their small community where they may have to travel 60, 70 miles to get to a town that has a movie theatre. So for them to be able to interact and actually meet somebody in a safe, social setting...because they do have some time to interact and I allow my students...they have to interact with each other. It's a safe way for them to meet new people and make new friends in a very, very remote area of Nebraska. [LB402]

SENATOR SULLIVAN: And has it not...has it been a challenge or have you overcome the time change issue? [LB402]

MARCIA GRANEY: It's always a challenge. Schools always follow their own calendars. We have different athletic calendars. Each school is in a different level, in a different playing time. I keep a very close and very careful calendar. They advise me of when things are coming up and so I can plan around it. I also videotape all of my classes so that all my students, if they are missing from my class, are responsible to go to the location where that video is, pull the class off, and most students will come the next day with their assignment ready to turn in if they've missed it for an event. [LB402]

SENATOR SULLIVAN: Okay. Thank you. Senator Kolowski. [LB402]

SENATOR KOLOWSKI: Thank you, Madam. Thank you for what you do to expand the world for your students. [LB402]

MARCIA GRANEY: Thank you. [LB402]

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SENATOR KOLOWSKI: What kind of follow-up reports have you had as they come back, visit with you after they've gone off to college. And what kind of comments and expressions of wonder, hope, futures that they have, have they shared with you? [LB402]

MARCIA GRANEY: You've just asked me the question that I always say is the hardest to prove in education. How do you prove that you have been successful? If I manufacture cars, rolling that car off the end of that assembly line means you've been successful. Most of the time when we turn our children loose in to the real world, like in my case because I'm not in those communities, I never see them again. But I've had contact with students that I have taught from...well, not necessarily here in Nebraska but from, like, 30, 15 years ago. They will contact me and say, thank you for what you've done. Students in distance learning have already expressed that they know and feel very comfortable working on the technology aspect of it. They are very comfortable on camera. They can connect with all types of technology into that to do presentations. They're not afraid of the camera. They get so used to it that they actually hate it when I come to their school because I'm not on the TV where I belong. (Laughter) And that...you know, they like to meet me, but they...I'm not where I belong on that TV. So they are so adaptable to this and so comfortable in this environment. And, please, read their comments that they said that they worry that, you know, if this disappears, they would have to leave their communities to get an equal opportunity education. And so they worry about their communities and their families. [LB402]

SENATOR KOLOWSKI: Thank you. Using your automobile metaphor, I always worried as a high school principal about my recalls. So that was always a challenge. (Laughter) Thank you. [LB402]

MARCIA GRANEY: Thank you very much. [LB402]

JOHN BONAIUTO: (Exhibit 8) Senator Sullivan... [LB402]

SENATOR SULLIVAN: Welcome. [LB402]

JOHN BONAIUTO: ...and members of the committee, John, J-o-h-n, Bonaiuto, B-o-n-a-i-u-t-o, representing the Nebraska Association of School Boards. We have a standing position on technology that the School Boards Association delegate assembly passed at their meeting in November. School boards see the importance of technology. Based on the testimony this afternoon, the question is, where does the money come from? Should it be through allowances or the General Fund? And that's going to be the real challenge. But I think that, probably beyond lottery funds, it now needs some ongoing way to make sure that districts are taking advantage of

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providing these opportunities for students across the state regardless of what size district they are in. So with that, I'll conclude my testimony. [LB402]

SENATOR SULLIVAN: Thank you, Mr. Bonaiuto. Any questions for him? Yes, Senator Groene. [LB402]

SENATOR GROENE: Thank you, Madam Chairman. Doesn't school boards...we've had huge increases in property taxes, 70 percent over the...for education the last ten years, 40 percent increase in TEEOSA. Don't school boards set their own budgets and put their own priorities? [LB402]

JOHN BONAIUTO: They do. [LB402]

SENATOR GROENE: Can't they budget this in their budgets? [LB402]

JOHN BONAIUTO: School boards set their budgets based on the limits, the statutory limits which you're very familiar with as far as budget growth. And the big differences would be that the districts that are within the formula are able to operate with a portion of their funding coming through the state equalization system. And the districts that are not in the formula are doing it all on their own based on property taxes, and... [LB402]

SENATOR GROENE: But they have the authority to budget. If they think this program is necessary, they have the authority. [LB402]

JOHN BONAIUTO: Absolutely. That's that local control piece that we always talk about. [LB402]

SENATOR GROENE: Thank you. [LB402]

SENATOR SULLIVAN: Any other questions? Thank you, Mr. Bonaiuto. [LB402]

JOHN BONAIUTO: Thank you. [LB402]

SENATOR SULLIVAN: Oh, I'm sorry. [LB402]

JOHN BONAIUTO: I'm back. (Laughter) [LB402]

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SENATOR SULLIVAN: I'm sorry, Senator Schnoor. [LB402]

SENATOR SCHNOOR: I don't want to talk to you anyway. (Laughter) I was just going to...actually, no, all right. Let me explain. My question: Is it possible...I have a question for Marcia Graney. And I don't know what the procedures are. [LB402]

SENATOR SULLIVAN: You'll have to wait till later on. [LB402]

SENATOR SCHNOOR: To wait till after? [LB402]

SENATOR SULLIVAN: Yes. [LB402]

SENATOR SCHNOOR: Okay. [LB402]

JOHN BONAIUTO: Thank you, Senator. [LB402]

SENATOR SULLIVAN: Did I over...I'm sorry, did I overlook you before? [LB402]

SENATOR SCHNOOR: No, not really. I was just a little late. Don't worry about it. I'm fine. [LB402]

SENATOR SULLIVAN: Okay. All right. Welcome. [LB402]

JON HABBEN: Thank you, Senator Sullivan. Members of the committee, my name is Jon, J-o-n, Habben, H-a-b-b-e-n, Nebraska Rural Community Schools Association. A lot of really terrific testimony and all of it...it is what it is. And it's a fantastic thing. I will tell you, it's a long way from there to here because in my...the second school I superintended, we were just getting started on distance education consortiums. And there were grant funds available and groups of schools were building these things and we were trying to figure out how we get from building them to making them as usable as we hoped they would be. And it was quite a good experience. And it lasted a long time and even went through a few evolutions. But what it did do was open the door to access. And that is huge. It doesn't matter which school you're in. You heard testimony from LPS and the access that they find. Rural school districts...absolutely. Access is really something. It's a great thing to be able to bring into your school district. And quite honestly, it's quite an experience to send. The oddity is, I was part of setting up a consortium and I was also a taker of distance education courses. I was required to take several of them during my doctoral program. And I've also been the, albeit brief, teacher of some things over distance education. You have to

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get used to it. We all know that. But kids are used to it. And that's the amazing thing that has occurred because, I think, some of us going back a few years weren't exactly sure about this thing. But it has grown and it has been an amazing opportunity for so many kids all over the state. I hope you will look at LB402 as continuing the opportunity. I hope you will find funding to continue it, maybe grow it, because it is a tremendous opportunity for kids all over the state. Thank you. [LB402]

SENATOR SULLIVAN: Thank you, Dr. Habben. In visiting with your member schools, what kinds of challenges do they have staying ahead of the technology involved? [LB402]

JON HABBEN: That is an issue. So many schools now have...are using cart technology. They may still have fixed rooms or static rooms. But you see a great deal of cart technology which allows the distance education cart to go to the room if the schoolrooms are so configured, because obviously the connectivity is an issue. And the assortment of planning that goes on in an older building so that you can do all of the adaptations, schools have been going through that now for 20 years as they've worked on expanding this. It does cost some money. It does...different than originally, when we first started out, we'll take a couple courses from you, you'll take a couple from us, and we're really not charging anybody anything. Well, that's kind of evolved when we began to realize how much time was involved, the equipment requirements that were involved, keeping the equipment updated that was involved, textbooks, support materials, all of those things are...to some degree, it's as if you added another class. You may be sharing the teacher but you've sort of added that X number of students. And I do agree, in our earliest consortium, Norfolk was a part of our eight-school group. And I know a lot of us in the smaller schools looked at Norfolk and said, oh boy, if we...you're a part of our group and we're going to get lots of classes from you. And, well, then the reality sets in that when classes are full, they're full. And it becomes pretty difficult to stretch that teacher beyond a reasonable capacity. You can't say, I've got 15 teachers so I'll take...or, excuse me, 15 students, so I'll take another 15 students from three other courses and it's the same. That really challenges that teacher's circumstance. And so, you know, you have to be prepared on that end as well. [LB402]

SENATOR SULLIVAN: Okay. Thank you. Any other questions for Dr. Habben? [LB402]

JON HABBEN: Thank you. [LB402]

SENATOR SULLIVAN: Thank you. Welcome. [LB402]

BARBARA SHOUSHA: (Exhibit 9) Thank you. I'm Barbara Shousha, and I am the associate director for the University of Nebraska Online Worldwide and the director of the University of Nebraska High School. And I'm here to offer positive testimony for LB402 as regards distance

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education. So just to be clear, my particular high school is not engaged in any lottery funding and does not participate in that program. But in our partnership with local schools, especially rural schools, we've learned a great deal about how distance education is used. So the University of Nebraska has offered distance education high school courses since 1929. And in working to partner with schools and meet those needs and offer the robust course offerings locally, it's the mission of the university to ensure that students anywhere in the state can receive the same high quality education. So in 2011, the University of Nebraska launched the Nebraska Virtual Scholars program which was a way to expand access to online courses with a focus on underserved students. This was a pilot between the Nebraska Department of Education, the ESU Coordinating Council, and NET. The goal was to provide online coursework to students as a pilot to determine the level of interest, the level of need, and how this format of distance education may be used in Nebraska. So through that program, we were able to work with high school administrators, particularly in rural, to find out, what are those challenges that drive them to make use of distance education options? We've awarded 386 scholarships, course scholarships, since 2011. And what we've learned is that, in Nebraska, the schools are challenged with math, science, career, education, and language. Those are the four areas that are always in need. And in fact, our scholarship offerings are oversubscribed by schools who would like to take advantage of that. So we've seen a need for advanced placement, for STEM-level courses; a need to serve transfer students, someone who comes into a district and they are out of sequence or behind in some way; and reductions in staff, scheduling and budget issues, course availability. So in studying this issue of distance education need for Nebraska, what has occurred to me personally is that the great heroes of education are really the building-level principals and counselors who are trying to devise a schedule that meets all students in the face of dwindling populations. Our prediction going in was that there would be a need for high quality STEM-level courses. What we found is that there's need across the curriculum. When they're a smaller number of students, it's not just the high-ability learners but also those in need of foundational courses. So we're pleased to see language in LB402 that describes qualified distance education courses as including but not limited to two-way interactive video distance education courses. And we view this as an opportunity to work more closely with other education groups to offer tools for local schools. So we've worked with the ESU Coordinating Council in the past as part of the Nebraska Virtual Partnership, and in fact that's where the Nebraska Virtual Scholars began in working with them. And we believe that everyone understands educating Nebraskans is a collaborative effort. So I'm happy to take any questions. [LB402]

SENATOR SULLIVAN: Thank you, Ms. Shousha. Okay, so the independent high school offers online classes? [LB402]

BARBARA SHOUSA: Correct. [LB402]

SENATOR SULLIVAN: Not a teacher that's on a video or is... [LB402]

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BARBARA SHOUSHA: Right. The teacher interacts over our administrative systems with the students but it's asynchronous. So it's not at the same time and it's not on video format. [LB402]

SENATOR SULLIVAN: Okay. And then so if a school district determines that a student or students are in need of something that they can access through the independent high school... [LB402]

BARBARA SHOUSHA: Correct. [LB402]

SENATOR SULLIVAN: ...then they are...you charge a fee for that? [LB402]

BARBARA SHOUSHA: That's true. [LB402]

SENATOR SULLIVAN: Okay. But then do you also have any student, whether they might be a student in a public school in Nebraska or any place in the world, for that matter, could pay for a course that you offer? [LB402]

BARBARA SHOUSHA: Yes, they do. Anyone could take a course. Nebraskans get a discount on our courses. [LB402]

SENATOR SULLIVAN: I see. Okay. Thank you. Any other questions? I guess the only other thing is, in your discussions thus far with all of these entities that handle distance learning in our public schools, do you see some new and additional interactions taking place with the independent high school even with respect to this discussion today that we're having? [LB402]

BARBARA SHOUSHA: We do have conversations with a lot of different partners: NET, the ESUs, the NDE personnel who are focused on distance learning. And I think where we've come to over the years that I've been working in the group is, it's not either/or. It's both/and. So it isn't either all in a classroom or distance education. And it's not either two-way interactive video or online. The goal is really that the schools would be able to pick and choose the tools that are appropriate to the students that they are trying to serve. [LB402]

SENATOR SULLIVAN: Okay. Thank you. Thank you for your testimony. [LB402]

BARBARA SHOUSHA: You're welcome. [LB402]

SENATOR SULLIVAN: Welcome back. [LB402]

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GWENDOLEN HINES: Hi. I'm back. I'm not speaking in...as the social justice committee this time. I'm speaking on behalf of myself. My name is Gwendolen Hines. Again, it's G-w-e-n-d-o-l-e-n and the last name is H-i-n-e-s. And I'm a professor of mathematics at the University of Nebraska-Lincoln and I'm on the...I run a summer camp for high school girls called ALL GIRLS/ALL MATH. And the camp has been running for 19 years now and it's a camp for girls from all over the country. And it's a nationally renowned program. We get funded through the National Security Agency and through the American Mathematical Society. Acceptance to the camp is competitive and about one-fourth of our girls come from Nebraska. And some of these girls come from small towns in Nebraska. And we do accept girls from small towns in Nebraska and they have straight As in all their classes, but when they come to the camp, we find that they're much less well prepared than other girls in Nebraska who come from, say, Lincoln and Omaha and Bellevue and Papillion. And I feel that if we could increase distance learning that maybe these girls would have better access to the quality of education and the same enrichment experiences as the girls from Lincoln and Omaha and Papillion...Bellevue and Papillion have and, I mean, we would see this discrepancy close up. And the girls would be better prepared. [LB402]

SENATOR SULLIVAN: Thank you, Ms. Hines. In what ways do you find that they aren't prepared? [LB402]

GWENDOLEN HINES: They just...they don't know as much. They're not as mathematically mature. They struggle more with the material than the girls from Lincoln and Omaha. And they come with straight As but they just don't have the same...as strong of a background as the girls coming from Lincoln and Omaha. [LB402]

SENATOR SULLIVAN: And is your camp on site or is it conducted distance learning? [LB402]

GWENDOLEN HINES: It's at the University of Nebraska on site. [LB402]

SENATOR SULLIVAN: Okay. [LB402]

GWENDOLEN HINES: They come for a week. It's a week-long camp. [LB402]

SENATOR SULLIVAN: All right. [LB402]

GWENDOLEN HINES: And they come and they stay at the university for a week. [LB402]

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SENATOR SULLIVAN: Okay. Thank you. Any other questions for Ms. Hines? Thank you for your testimony. [LB402]

GWENDOLEN HINES: Okay. Thank you. [LB402]

SENATOR SULLIVAN: (Exhibit 10) Any other testimony in support of LB402? We have one letter of support...no, excuse me. This is a neutral. Excuse me, save that. Anyone wanting to speak in opposition to LB402? Anyone in a neutral capacity? And the one neutral letter that I have is from Roger Breed from the Greater Nebraska Schools Association. Senator Baker. [LB402]

SENATOR BAKER: As I see it, LB402 is about educational equity. You know, if we think beyond the Norrises, the Millards, the LPSs, although we heard testimony, even those larger school districts are finding good use of this technology, the fact is that the population in rural Nebraska has been declining and will continue to decline, presenting greater and greater challenges to the schools. Yet at the same time, we want all Nebraska students to be career and college ready. Governor Ricketts has talked about the challenges faced by rural Nebraska and rural schools and about the rural technology in meeting the needs. Arguably, I guess you could say that those school districts could find some other way to continue to provide their distance learning courses. But they might be up against their spending lid. And you also, as our committee heard a lot of testimony from taxpayers out in those rural areas that are in nonequalized districts about the terrific burden of property taxes, so I guess you could see this in one sense as a type of property tax relief if people did not have to raise their property taxes to continue this type of program. With that, I'd close and take any questions. [LB402]

SENATOR SULLIVAN: Thank you, Senator. Any questions for him? Thank you for your testimony and for your bill introduction. This closes the hearing on LB402. We will now move on to LB589. Welcome, Senator. [LB402]

SENATOR PANSING BROOKS: (Exhibit 1) Thank you. Thank you. Are you ready? Senator Sullivan and fellow members of the Education Committee, for the record, my name is Patty Pansing Brooks, P-a-t-t-y P-a-n-s-i-n-g B-r-o-o-k-s, and I represent Legislative District 28 right here in the heart of Lincoln. And I am here to introduce to you LB589. It is a bill dealing with the disbursement of lottery...Nebraska lottery funds for education programs. As we have heard today, under current law, those programs funded with lottery proceeds all have a sunset clause and will, without additional legislation, not be funded. The bill I bring today relates to the funding for the Enhancing Excellence in Teaching tuition reimbursement Program. The Enhancing Excellence in Teaching Program, EETP, allows eligible teachers to apply annually for a loan of \$175 per credit hour up to a maximum of \$3,000 which would be forgiven for each

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year of teaching and \$6,000 if teaching occurs in a shortage subject area or high-needs school. Students can apply for and receive EETP loans annually for up to five consecutive years. The bill increases the funding from its current \$1.2 million level to \$2 million in 2016. And it expands it to \$3 million by 2017. There is a need for additional funding to cover increased demand by students and teachers seeking degrees in education. I have an amendment drafted that you've just all received and it clarifies the intent and defines that a high-needs endorsement area is meant to mean an endorsement in a specified area for which the State Board of Education determines in a high...determines is a high priority for expansion to meet the educational needs of students in the state including but not limited to early childhood education, special education with an emphasis on serious emotional disturbances, and career education areas. With that, I will ask the Education Committee to ensure that a portion of the state's lottery funds continue to flow to this important program for teachers and take...and I'll take any questions you have, but there are others behind me with much greater depth of knowledge. [LB589]

SENATOR SULLIVAN: Thank you, Senator Pansing Brooks. Just a couple of questions. One is, the increase you're recommending would be gradual? [LB589]

SENATOR PANSING BROOKS: Yes. It's...the bill increases its funding from \$1.2 million now to \$2 million in 2016 and then to \$3 million in 2017. [LB589]

SENATOR SULLIVAN: And then the determination of the high-needs areas by NDE, does that currently exist in the program now? I think it... [LB589]

SENATOR PANSING BROOKS: I think this explains it more fully. A portion of it may exist. [LB589]

SENATOR SULLIVAN: Yeah, that's what I thought. [LB589]

SENATOR PANSING BROOKS: But I think it explains it in greater detail what was necessary and what the needs are. [LB589]

SENATOR SULLIVAN: Okay. [LB589]

SENATOR PANSING BROOKS: And again, I think that others behind me will explain it even more clearly but I believe it's expanding, it's a little bit more definitive. [LB589]

SENATOR SULLIVAN: Okay. Thank you. [LB589]

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SENATOR PANSING BROOKS: Thank you. [LB589]

SENATOR SULLIVAN: Any other questions? Senator Kolowski. [LB589]

SENATOR KOLOWSKI: Thank you, Madam. Senator, just, it looks like the grand total would be \$6 million over the two years. Is that correct? [LB589]

SENATOR PANSING BROOKS: That's what it says, that... [LB589]

SENATOR KOLOWSKI: For the fiscal note? Okay. [LB589]

SENATOR PANSING BROOKS: That's what the fiscal note is saying. [LB589]

SENATOR KOLOWSKI: Other various categories as described? [LB589]

SENATOR PANSING BROOKS: Um-hum. [LB589]

SENATOR KOLOWSKI: Thank you. Thank you very much. [LB589]

SENATOR PANSING BROOKS: Thank you. [LB589]

SENATOR SULLIVAN: All right. Any other questions? Thank you. [LB589]

SENATOR PANSING BROOKS: Thank you very much. [LB589]

SENATOR SULLIVAN: Welcome. [LB589]

JASON HAYES: (Exhibits 2, 3) Hi. Good afternoon, Senator Sullivan and members of the committee. For the record, my name is Jason Hayes, J-a-s-o-n H-a-y-e-s. I'm here today representing the Nebraska State Education Association in support of LB589. We thank Senator Pansing Brooks for introducing this bill. The intent of this bill is to guarantee that funding for the Excellence in Teaching Act is continued whether that be through lottery or General Fund dollars; also to increase the level of that funding; and to expand the Enhancing Excellence in Teaching Program to include endorsement programs such as early childhood, special education, career academy/dual credit endorsements, and other shortage area endorsements. We are aware that the Nebraska Department of Education has proposed that the Excellence in Teaching Act be funded

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in their budget through General Fund expenditures beginning with the 2016-17 fiscal year and that also Senator Sullivan has introduced LB519 to fund such programs through General Funds. Our concern is that if the Appropriations Committee does not appropriate the General Funds to meet the Department of Education's budget request then a number of successful programs will cease to exist including those loan forgiveness programs. These two programs are Nebraska's only state incentives to attract and retain quality teachers in Nebraska. As more teachers retire and the demand for teachers endorsed in early childhood grow, the need for funding these two programs will become even more evident. This increasing demand for teachers endorsed in shortage areas is the reason behind increasing the funding of the programs from \$1.2 million to \$3 million over the next two years. NSEA urges the committee to find a way to transition the lottery-funded programs to general funding over a number of years much like LB520 proposes that you will hear also today. We stand ready to help the committee craft a solution that provides a solid foundation for successful programs and transition the education portion of the lottery to the vision that the committee has outlined in its recent interim report. And I thank you for the opportunity to testify today. And I've also handed out a letter from Shannon Lenz, a teacher in Lincoln, that you should be...have now, so... [LB589]

SENATOR SULLIVAN: That we do. Thank you, Mr. Hayes. Any questions for him? Thank you for your testimony. [LB589]

JASON HAYES: Okay. Maybe I could address a few questions that were raised earlier with the senator regarding the fiscal note. [LB589]

SENATOR SULLIVAN: Sure. [LB589]

JASON HAYES: I'm not sure how they came up with \$6 million. It's only intending to increase up \$2 million for 2016-17 and then \$3 million for 2017-2018. [LB589]

SENATOR SULLIVAN: I think it was reflective of...not the amendment, though, right? Is that where the fiscal note came from? [LB589]

JASON HAYES: I...that may not be based upon the amendment, sure. Okay. [LB589]

SENATOR SULLIVAN: Yeah. Yeah. Right. Thank you. Welcome. [LB589]

SHARI ANDERSON: (Exhibit 4) Thank you. Good afternoon, Madam Chair and members of the Education Committee. My name is Shari Anderson, S-h-a-r-i A-n-d-e-r-s-o-n. I am the librarian and current kindergarten, 1st, and 2nd grade computer specialist at Everett Elementary

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School just a few blocks from here in Lincoln. Thank you for the opportunity to allow me to speak to you about a matter that is so important to me. I applied for the Enhancing Excellence in Teaching Program when I became a master's...when I began my master's degree at the University of Nebraska-Omaha. I wanted to pay for my graduate schooling out of pocket because I had--and I still have--undergraduate loans to pay off. This state-funded program allowed me to continue my schooling without placing further strain on my family's finances. It also allowed me to improve my teaching while I still have, hopefully, many years to reach and teach and help children. The classes I took helped me become a stronger educator and know how to better advocate for my students. Through my course of study, I gained many skills that I have transferred to my instruction of students. I was introduced to digital books which is an effective way of engaging students that was not mainstream ten years ago. I now use digital books with many of my students including English language learners because the digital books have features that help students to find and understand vocabulary. For example, digital books have embedded features such as videos that provide additional information on the subject at hand. Many also include interactive and collaborative features that, as a teacher, I can use with the class to expand and deepen the learning. I also took a class that focused on collection management. It introduced me to the value of databases and I have since purchased two databases for my students that provide them with more information that reaches them in a way that books just do not. Additionally, and I believe importantly, my students saw the effort that I was putting into my learning. That initiated a conversation with them about effort and lifelong learning. I know that this program encourages and pushes teachers to learn and understand new ways to work with our students. I am grateful for the assistance that enabled me to grow and achieve an advanced degree. I believe all Nebraska educators should have the same opportunity to increase their skills and knowledge and to create a more learned and prepared work force and citizenry. This program is good for everyone: our students, educators, and taxpayers. I encourage you to support LB589. Thank you for your time and I'll try to answer any questions you may have. [LB589]

SENATOR SULLIVAN: Thank you, Ms. Anderson. [LB589]

SHARI ANDERSON: Yes. [LB589]

SENATOR SULLIVAN: Senator Baker. [LB589]

SENATOR BAKER: Thank you, Ms. Anderson. And, please, don't misunderstand me, taking nothing away from what you said, but did you advance on a salary schedule as a result of receiving additional hours? [LB589]

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SHARI ANDERSON: I advanced on the salary schedule through my achievement of my master's degree. I did not get all that funding from this program. I got just a portion of funding from this program. The rest of it I paid for out of pocket for myself. [LB589]

SENATOR BAKER: Thank you. [LB589]

SHARI ANDERSON: Yes. [LB589]

SENATOR SULLIVAN: And what was your degree in? [LB589]

SHARI ANDERSON: My degree is in elementary education with a library media endorsement. And at that time, library media was considered a shortage field because of the amount of librarians that are retiring. [LB589]

SENATOR SULLIVAN: Okay. What is collective management? [LB589]

SHARI ANDERSON: Collection management? [LB589]

SENATOR SULLIVAN: Or collection management? [LB589]

SHARI ANDERSON: It's fantastic if you have a lot of hours to spend on it. (Laughter) Basically, it's going through a collection of books and determining what is applicable to today's children. And I removed things that are old or not applicable very much or they're not getting checked out and put new things in that relate more to the technology today, relate more to subject matters that kids are really interested in learning about today or providing databases with new information. For example, one of the databases I have has current information on presidents and pop culture figures and we do biography research in 4th grade. So it's looking at our collection of materials and resources that we give to students to enable their learning and say, you know, we really need this other source of information to help them grow. And so that's what collection management is all about. [LB589]

SENATOR SULLIVAN: Thank you very much. Any other questions? Thank you for your testimony. [LB589]

SHARI ANDERSON: Thank you. [LB589]

SENATOR SULLIVAN: Welcome. [LB589]

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KYLE SCHWANINGER: (Exhibit 5) Good afternoon, Madam Chair. Members of the Education Committee, I'm Kyle Schwaninger, K-y-l-e S-c-h-w-a-n-i-n-g-e-r. I'm a 5th-year mathematics teacher at North Star High School here in Lincoln and I'm here today to ask you for your support of LB589. I know from my classroom experience that earning a master's degree has made me a better educator. I see it in my students' learning and success in my classroom. The decision to pursue my master's degree was made possible because the Legislature created the loan forgiveness program which is funded with lottery proceeds. The program is aptly named the Enhancing Excellence in Teaching Program because it truly does directly affect the quality of teaching in classrooms across Nebraska. The master's degree I earned has helped me implement new technology in my classroom. Knowing how to use technology is different than knowing how to teach with technology. The focus on teaching with math software allows me to effectively use it to promote learning for my students. Just one example: in my honors precalculus class, we can explore conic sections and their application with a more hands-on feel instead of simply memorizing properties. This helps students learn and retain information...concepts and information. While I don't believe I know even one teacher who teaches for the paycheck, I do believe that earning a master's degree and earning a bit higher salary because of that degree makes me feel appreciated and helps show that the focus I have put towards bettering myself as an educator is valued. I hope you will continue funding this important program. It has positive results for both teachers and for our students. I would be pleased to answer any questions you may have. [LB589]

SENATOR SULLIVAN: Thank you very much for your testimony. What is the credit hour...what is the dollar for...per credit hour these days, average? [LB589]

KYLE SCHWANINGER: At UNL? [LB589]

SENATOR SULLIVAN: Um-hum. [LB589]

KYLE SCHWANINGER: It's \$300-something, \$300-something. [LB589]

SENATOR SULLIVAN: Okay. All right. Thank you. Any other questions? Thank you for your testimony. [LB589]

KYLE SCHWANINGER: Thank you. [LB589]

SENATOR SULLIVAN: Welcome. [LB589]

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BAILEY FEIT: (Exhibit 6) Hello. Good afternoon. Good afternoon, Madam Chair and members of the Education Committee. My name is Bailey Feit, and that is spelled B-a-i-l-e-y F-e-i-t. I am a high school math teacher at North Star High School in Lincoln. That's my colleague. I have been teaching for six years and during all of those years, I have been continuing my education through both Doane College and the University of Nebraska-Lincoln. I am currently one class away from my second master's degree in education. I began my second master's degree by taking classes at UNL through the NebraskaMATH program. I completed the program with 18 credits of graduate coursework, 18 credits away from a master's degree in teaching learning and teacher education. At a cost of approximately \$1,000 for each 3-credit-hour course, this is an expensive proposition. To complete those final 18 hours will cost about \$6,000. That adds up to more than \$12,000 for a master's degree which does not cover the salary advancement that you get for a master's degree. I started searching for ways to help me pay for my classes and discovered the Enhancing Excellence in Teaching Program. This program has provided much-needed financial assistance to complete my remaining graduate work. Through these classes and continuing education, I have improved my teaching in many ways. When you walk into my classroom, you'll see students working together in teams and collaborating on math problems. Every student has a notebook that contains vocabulary, three-dimensional graphic organizers, and math notes along with explanations. These are teaching strategies I've developed because of the excellent education I received and the opportunities UNL has provided me. These opportunities include collaborating with teachers throughout the state and presenting my strategies at the Nebraska Association of Teachers of Mathematics Conference and Lincoln Public Schools summer professional development. The most meaningful graduate coursework I was able to participate in, with the help of the Excellence in Teaching Act, was the Nebraska summer writing institute. I grew as a writer and found ways to include literacy in my math classroom. In one of my classes, 90 percent of the students are English language learners. Literacy strategies such as word walls and writing prompts are ways in which I help my ELL students learn math and English so they can be successful in their future education. Furthering my education has been extremely valuable not only for myself but for my students as well. In the past three years, I've had more than an 80 percent passing rate in my algebra classes. Because the Excellence in Teaching Act has assisted me in furthering my education, I have improved my ability to effectively teach math to all students. I would encourage you to approve and advance LB589 so that other Nebraska teachers and students may have the same positive benefits that I and my students have received from this program. I'd be glad to take any other questions. [LB589]

SENATOR SULLIVAN: Thank you, Ms. Feit. Can you tell me again what your two...your first master's degree was in what? [LB589]

BAILEY FEIT: Curriculum and instruction. [LB589]

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SENATOR SULLIVAN: And then you're working on one that is specific to math education right now? [LB589]

BAILEY FEIT: Yes. [LB589]

SENATOR SULLIVAN: And I would presume then you can...you plan to continue to be a math teacher? [LB589]

BAILEY FEIT: Yes. [LB589]

SENATOR SULLIVAN: Okay. Very good. Any other questions for her? Thank you for your testimony. [LB589]

BAILEY FEIT: Thank you. [LB589]

SENATOR SULLIVAN: Welcome. [LB589]

BRETT NOSER: (Exhibit 7) Thank you. Good afternoon, Senator Sullivan and the members of the Education Committee. My name is Brett Noser, B-r-e-t-t N-o-s-e-r. And I'm here in support of LB589. I've been a teacher for the Lincoln Public Schools for the last seven years and I rotate between five schools teaching grades 4 through 12 orchestra, and that's string music. During the summer of 2014, I was given the opportunity to apply for the Enhancing Excellence in Teaching Program loans which provided \$175 per credit hour to take two 3-credit courses and two 1-credit courses. That is a \$1,400 investment which was pretty big money in a relatively low teacher's tight budget. These courses addressed the history of music education, curriculum creation, audio recording in a concert setting, and it provided an in-depth look at the great master work by George Frideric Handel, the Messiah. With the assistance of the Enhancing Excellence in Teaching Program, I was able to study without worrying about money and making ends meet on a young teacher's budget. The only concern I had is the program's requirement that I must teach in Nebraska for two more years after I obtain my master's degree in music education which, in truth, was not a big worry because I plan on teaching in Nebraska until I retire. I might get a little off script here. But I absolutely love, love what I do and I could not be...imagine being anywhere else. I...it's wonderful. In fact, I'm glad I was able to participate in this program as a newer teacher because it means more students will benefit in the long term from my learning over many years. This coming summer, before I take my final semester of my masters coursework, I will assist other LPS faculty members in creating new music curriculum to align with the new Nebraska music standards that we finally got going. I have not been shy in telling my teaching colleagues about the Excellence in Teaching Program. I let them know that it will

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help improve their skills and knowledge and improve student learning. That has certainly been my experience. Thank you for the opportunity to support the program. I appreciate what it has done for me and especially for my students. And I hope you will continue the program well into the future. And I... [LB589]

SENATOR SULLIVAN: Thank you, Mr. Noser. [LB589]

BRETT NOSER: You're welcome. [LB589]

SENATOR SULLIVAN: Any questions for him? Thank you for your testimony. [LB589]

BRETT NOSER: Thank you. [LB589]

SENATOR SULLIVAN: (Exhibit 8) Good luck to you. Any further proponent testimony on LB589? Anyone wishing to speak in opposition? Anyone wishing to speak in a neutral capacity? I have one letter to read into the record in neutral support, Roger Breed of the Greater Nebraska Schools Association. Senator Pansing Brooks. [LB589]

SENATOR PANSING BROOKS: Thank you. Well, thank you for listening about this bill today. I think, just for clarification, Senator Kolowski asked me about the fiscal note. And that fiscal note was based on the previous version of the bill. So with the amendment, it changes it and it takes out the early childhood program grants, the Early Childhood Education Endowment Cash Fund, and the School District Reorganization Fund because those are not part of this bill. [LB589]

SENATOR SULLIVAN: Right. [LB589]

SENATOR PANSING BROOKS: So again, it would be \$2 million in 2016-17 and then \$3 million in 2017-18. It is not \$6 million per year so just as a clarification on that. And I think just in closing, it's always energizing to hear wonderful, connected teachers. I think we all believe that teachers change lives and that great and highly engaged teachers can help change our world. And so I think that part of the issue is that, if the Appropriations Committee doesn't fund this teacher education...the EETP program then we're going to run into some issues about helping teachers get more training and get endorsed in high-needs areas that the districts across the state have indicated are important areas for supporting teacher education. So with that, I think we just...this could affect quality teaching and I hope you'll consider this bill favorably. Thank you. [LB589]

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SENATOR SULLIVAN: Thank you, Senator. Any questions for her? Senator Schnoor. [LB589]

SENATOR PANSING BROOKS: Yes, Senator Schnoor. [LB589]

SENATOR SCHNOOR: What...Senator, what was your reasoning for increasing it from \$1.2 to \$3 million per year? [LB589]

SENATOR PANSING BROOKS: I think that from previous...from what had happened previously under the lottery, I think that people...that there was a determination by the teachers that there was more need out there than we realized. Plus the part that was added about the high-needs areas, when we look across the state, funding is necessary for that. [LB589]

SENATOR SCHNOOR: Okay. [LB589]

SENATOR SULLIVAN: Senator Groene. [LB589]

SENATOR GROENE: Senator, what...thank you, Chairman. Teachers historically have gone and got their master's to get higher pay. It's in the funding. I mean, it's in the steps. How do you pick one over another, one music teacher over another, one English teacher over another, who gets this when there...a lot of them are trying to get higher pay by the free market incentive that if you work and you get this, you get a higher pay scale? I don't...I mean, how do you distinguish who gets it and who doesn't? [LB589]

SENATOR PANSING BROOKS: Well, I think that first off there's some discussion, Senator Groene, about the fact that we are trying to focus on high-needs areas. So it isn't just necessarily one English teacher over another. If they're in...if they're going for higher degrees in the areas that have been determined to be high-needs areas across the state, that's one of the things that they help decide who gets these. [LB589]

SENATOR GROENE: Thank you. [LB589]

SENATOR PANSING BROOKS: Thank you. [LB589]

SENATOR SULLIVAN: Senator Baker. [LB589]

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SENATOR BAKER: Yes. Senator Pansing, you said something about if there's no General Fund appropriation. You're not asking for one in this bill, are you? You're asking it comes from Innovation Funds. [LB589]

SENATOR PANSING BROOKS: I'm asking that it come out of the lottery funds, yes. [LB589]

SENATOR BAKER: Yes. Thank you. [LB589]

SENATOR PANSING BROOKS: Thank you very much. I think there had been some discussion about it going to Appropriations, and I think that's what my concern is, that I'm getting indicators that Appropriations doesn't want it. So anything else? [LB589]

SENATOR SULLIVAN: Any other questions? Thank you. [LB589]

SENATOR PANSING BROOKS: Thank you for your time today. [LB589]

SENATOR SULLIVAN: That closes the hearing on LB589. We will now go on to LB355. [LB589]

SENATOR MORFELD: Chairwoman Sullivan, members of the Education Committee, I think this is my first time testifying before my own committee. I need to introduce more bills next year. My name is Adam Morfeld. That's A-d-a-m M-o-r-f-e-l-d, representing the "Fighting" 46th Legislative District here today to introduce LB355. LB355 removes a sunset in the...2016 on allocations from lottery funds directed to the Nebraska Opportunity Grant Fund, a fund that provides need-based financial aid to students attending the University of Nebraska, state and community colleges, and private independent institutions of higher education. Some will note in this committee today that funding for the scholarship program should come from the General Fund. However, there are many demands on the General Fund and there is no guarantee that future Legislatures, or even this one, will support a stable source of funding for this critical scholarship fund. In fact, funding for these scholarships were not included in the Appropriations Committee's preliminary budget for General Funds. And this legislation will bring this funding into line with their preliminary budget. The Nebraska lottery is a stable source of income. In fact, total receipts have increased from \$33 million from 2003-2004 to \$58 million in 2012-2013. This stable source of funding plus the demands on the General Fund make this legislation even more important so that we can maintain opportunity for working families and students to access higher educational opportunities. The Nebraska Opportunity Grant Fund is a critical source of this financial aid for some of our state's low- and middle-income students and families. In fact, about 75 percent of the grant earners actually come from families with about \$40,000 or less a

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year. This academic year, \$10 million in lottery funds is allocated to the Nebraska Opportunity Grant Fund to provide need-based scholarships to these Nebraska college students. And as a recent graduate of the University of Nebraska-Lincoln and someone that served as a resident assistant and assistant residence director while an undergraduate at the university in a dorm of 400 students from 2005 to 2009, this bill is particularly important and personal to me. All too often, I saw Nebraska students from working families that did not finish at the university because of financial reasons. And it was not for lack of work. Many and most had two part-time jobs or even a full-time job in addition to their full-time studies. These funds are vital to ensuring access to higher education for students who can't otherwise afford to attend. We must maintain this critical source of funding for needy Nebraska students and working families since there is no guarantee that these scholarships will be funded from the General Fund. LB355 maintains the status quo and continues funding from the lottery fund to ensure working Nebraskans continue to have a level playing field for obtaining their education. At the University of Nebraska-Lincoln, which is in my district, the average profile for recipients of the NOG grants are 1,800 students from rural Nebraska, 1,600...or, excuse me, about 1,700 students from urban Nebraska; \$39,024 is the average family income of the dependent students and about \$10,000 is the average family income of the independent students. The average grant per student is \$2,226 and again, this is money that they don't have to pay back and can become a determining factor as to whether they can attend college or not. The loss of millions of dollars in financial aid that supports low-income Nebraskans could have a significant impact in their ability to afford a college education. We're fortunate that Nebraska has made affordable, high quality education a priority. We need to continue to ensure that college education is within the reach for all Nebraskans so that all students in our state earn a degree, find a good job, and contribute to the Nebraska economy. And maintaining financial aid is one key component of affordable access. And I think I should also note, if I haven't earlier, that as far as the University of Nebraska goes, Nebraska ranks tenth in the Big Ten in terms of having resources for need-based aid in this context. I urge your favorable consideration of this bill and would be happy to answer any questions. [LB355]

SENATOR SULLIVAN: Thank you, Senator Morfeld. Any questions for him? Senator Groene. [LB355]

SENATOR GROENE: You didn't add another sunset in here, date, so that we could look...the Unicameral in the future could look at it again. Is there a reason why? [LB355]

SENATOR MORFELD: Nope. I just started from a baseline that I think this should be a continuing financial commitment and the lottery funds, I think, is an acceptable fund in which to draw those funds from. [LB355]

SENATOR GROENE: Thank you. [LB355]

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SENATOR MORFELD: I would be open to it. However, you know, one of my arguments for the lottery funds...using the lottery funds is that stable source of income which it's proven to be over the last ten years and beyond. So I'd be open to discuss that, but I'd like to make sure it's somewhat of a long-term source. And as you know, Senator Groene, as we've talked in the past, any Legislature can come back in here and... [LB355]

SENATOR GROENE: It's easier, though, with a sunset, sometimes, to reapportion, not take it away, but what...like you... [LB355]

SENATOR MORFELD: Um-hum, certainly willing to talk to you and consider that, Senator. [LB355]

SENATOR GROENE: Thank you. [LB355]

SENATOR SULLIVAN: Any other questions for Senator Morfeld? Okay. [LB355]

SENATOR MORFELD: Thank you. [LB355]

SENATOR SULLIVAN: We'll now hear proponent testimony. Welcome. [LB355]

DEANA UNGER: (Exhibit 1) Good afternoon. Thank you My name is Deana Unger. It's D-e-a-n-a U-n-g-e-r, and I am an associate director in the Office of Scholarships in the Financial Aid Office of the University of Nebraska-Lincoln. And I'd like to thank you for the opportunity on behalf of the University of Nebraska to visit in support of LB355 which would maintain the current use of state lottery sales revenue as a dedicated source of funding for the much-needed Nebraska Opportunity Grant program. As you know, this program provides state grant assistance to Nebraska students from low-income and working poor Nebraska families to attend college in Nebraska. Many of these students are first-generation college students. The state grant program is an integral part of the federal, state, university, and private partnership necessary to ensure that Nebraska resident students who have earned the right to continue their education beyond high school can do so regardless of family income and the inability to pay for the full cost of a college education. Over 3,600 Nebraska resident undergraduate students enrolled in the University of Nebraska system, including students at the Nebraska College of Technical Agriculture in Curtis, Nebraska, receive over \$7.2 million in Nebraska Opportunity Grants today. These students are eligible for Federal Pell Grants, a program that serves as a foundation for ensuring access to postsecondary education and training in the United States for students from low-income families, many of whom are first-generation family...excuse me, are the first generation of their families to go to college. The Nebraska Opportunity Grant, again, is coupled with federal, university, and

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private resources to assist students. Low-income Nebraska students can go to college only because of this partnership among federal, state, university, and private programs. In your handout that I've given, you do have an example of a sample financial aid package at the University of Nebraska-Lincoln which shows how we use the Nebraska Opportunity Funds, shows how we combined Federal Pell Grant and Federal Supplemental Educational Opportunity grant funds with university grants or scholarships and the Nebraska Opportunity Grant to bring a student to what we refer as our equity threshold. In the sake of time, with my written testimony, the full four bullets that are presented there are some of what Senator Morfeld already mentioned to you, so I'll move past those to the final paragraph. The state lottery funds approximately 60 percent of the over \$16 million of the Nebraska Opportunity Grant program. As a result, we strongly support LB355 which would maintain the current funding structure and use of lottery sales revenue as a dedicated source of funding for the Nebraska Opportunity Grant program. Maintaining this funding is a key component to access to higher education and we need to continue to make sure a college education is within reach for Nebraskans. Allowing the current funding structure of the Nebraska Opportunity Grant program to sunset in 2016 and forcing the Nebraska Opportunity Grant program to be funded primarily through the General Fund puts the program funding at risk because of competition with other state grant-funded programs. Thank you. [LB355]

SENATOR SULLIVAN: Thank you, Ms. Unger. Maybe you've said this in your testimony, but what percentage of the dollars that the university receives through the Nebraska Opportunity Grant represents your total package of financial aid that you provide for students? [LB355]

DEANA UNGER: Well, when we look at...so it would be approximately, in this scenario here, \$2,500 of the \$11,000 in gift aid that we would offer the maximum eligibility student at the University of Nebraska-Lincoln. [LB355]

SENATOR SULLIVAN: Okay. Very good. Thank you. Any other questions for Ms. Unger? Thank you for your testimony. [LB355]

DEANA UNGER: Thank you. [LB355]

SENATOR SULLIVAN: Welcome. [LB355]

VICKI KUCERA: (Exhibit 2) Hello. Thank you. Good afternoon. My name is Vicki Kucera, V-i-c-k-i K-u-c-e-r-a, and I'm the area director of financial aid services for Central Community College out of Grand Island, Hastings, and Columbus. I'm here today speaking on behalf of all of the Nebraska community colleges though, and would like to offer my sincere appreciation on behalf of all of our students for allowing this time to speak with you today. We are all extremely

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passionate about the Nebraska Opportunity Grant program. My goal here today is to help you understand the ramifications to our students should these funds either diminish or disappear. Part of the community college mission, as you well know, is to provide access to education for all regardless of economic standing which makes us the first choice for many students who simply cannot afford to attend a college elsewhere. That makes access to grant and scholarship funds absolutely critical. Federal funding, as you know, has not had any dramatic increases for a very long time. And while we pride ourselves on keeping costs for students as low as possible at community colleges, they do, of course, increase. And unfortunately, this means that more and more students are relying on student loans to make up the difference. I will refer you at this time to the handout that I did provide. During the 2013-14 academic year, over 6,300 students benefited from the over \$3 million that the state of Nebraska allocated to our six community colleges in the Nebraska Opportunity Grant program. Six thousand three hundred twenty economically disadvantaged students relied on these funds for either tuition assistance, books, or room and board expenses. The average award per student was just a little over \$500 for the year. Since 60 percent of these funds were lottery funds, should this portion of the funding disappear, approximately 3,800 community college students will need to replace these funds with loan assistance or will simply have higher unmet need to compensate for personally. But I know that this void would no doubt precipitate exactly what we have been fighting against, and that is increased student loan indebtedness for our students. We've really been fighting the good fight on our campuses to keep loan indebtedness in check for our students. But loan limits have not changed in decades, though, and quite frankly, we try to counsel them against borrowing their maximum eligibility anyway so that their monthly repayment can be manageable upon graduation. The second half of the handout that I provided outlines the average costs at the community colleges in Nebraska. And while we pride ourselves on keeping those costs down, room and board and books...tuition, fees, room and board, and books add up to about \$10,000 to \$12,000 per year. And the maximum Pell Grant for 2015-16 for students with a \$0 family contribution figure will be \$5,775 this coming year. And that leaves one heck of a shortfall. I know that all of you agree that training for service-oriented careers are a critical piece of what keep our businesses and industries functioning here in the heartland as well as encouraging the entrepreneurship that will build us in the future. I am imploring you to support LB355 to continue to budget lottery funds for the Nebraska Opportunity Grant program at least at the level that you have previously. And I thank you sincerely for your support of our students. [LB355]

SENATOR SULLIVAN: Thank you, Ms. Kucera. Of the shortfall that you indicate on this handout, part of it would be covered with a NOG award, but are you able to make up the rest or how much is left for a student? [LB355]

VICKI KUCERA: We can make up a portion of it depending on the student. But after the Pell Grant, the NOG is our biggest form of grant assistance. We have a Supplemental Education Opportunity Grant Program that we get from the federal government, but we...like, at Central,

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we get about one-third in that program as we do in our NOG program. Beyond that, it's typically scholarship programs or we have some outside agency support for our students, of course, like Vocational Rehabilitation work force funds. But those are all being more limited as time goes by as well. So they're taking a hit from all over, I'm afraid. [LB355]

SENATOR SULLIVAN: So it's safe to say that among all of those, they still have to carry some in terms of loans to make it work for them or work? [LB355]

VICKI KUCERA: There is...absolutely, almost 100... [LB355]

SENATOR SULLIVAN: Does work study still exist? [LB355]

VICKI KUCERA: Work study still exists. But like at our college, again, at all three campuses together, we have about \$120,000 in work study funds. When you divide that up...like on my campus at Hastings, we have about 40 work study students earning the minimum wage about ten hours a week. That doesn't get you very far, unfortunately. [LB355]

SENATOR SULLIVAN: Okay. All right. Thank you. Senator Cook. [LB355]

SENATOR COOK: Thank you. And thank you for your testimony. I understand that some community colleges have dormitories on their campuses. [LB355]

VICKI KUCERA: Um-hum. [LB355]

SENATOR COOK: I did not realize that all of them did. So when you include room and board costs, that's a little bit confusing. [LB355]

VICKI KUCERA: That... [LB355]

SENATOR COOK: Could you expound since you're testifying on behalf of all the community colleges? [LB355]

VICKI KUCERA: Absolutely. The room and board cost that I have included in there represent the on-campus room and board expenses. That's our typical...like, for instance, at CCC, our room and board expenses for the year are about \$6,300 for the year--that's 30 weeks--comes out to about \$210 a week. [LB355]

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SENATOR COOK: Okay. And how many of the community colleges have on-campus housing and room and board costs? [LB355]

VICKI KUCERA: I can tell you that with...at Central Community College, only two of our three campuses do. I know that most of the other community colleges have some on-campus housing but I couldn't tell you how many. [LB355]

SENATOR COOK: Okay. Thank you. [LB355]

SENATOR SULLIVAN: Any other questions? Senator Groene. [LB355]

SENATOR GROENE: Thank you, Chairman. I'm assuming that somewhere in this pile of information is the formula what tells me, how does this grant money get split up between the university, the community colleges, and the private colleges? I see \$2,500 a student here for the university and only \$504 for the community college. Am I reading that right? [LB355]

VICKI KUCERA: That would be correct. We work really hard at the community colleges to spread the dollars as far as we can so we can... [LB355]

SENATOR GROENE: How is it split up between the... [LB355]

VICKI KUCERA: Between the...that...I'm not familiar with the formula enough to know how it's split up between the university system, the state colleges, and the community colleges. [LB355]

SENATOR GROENE: But the private colleges are also involved, right? [LB355]

VICKI KUCERA: That's...I believe so. [LB355]

SENATOR GROENE: I'm just curious how that's split up. Maybe somebody can answer that. Thank you. [LB355]

SENATOR SULLIVAN: Senator Kolowski. [LB355]

SENATOR KOLOWSKI: Thank you, Madam. Do you have a foundation connected to your community college? [LB355]

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VICKI KUCERA: Yes, we do. [LB355]

SENATOR KOLOWSKI: And how much does that raise in a year or do they allocate toward student assistance? [LB355]

VICKI KUCERA: We...absolutely. We have approximately internally almost \$0.5 million in scholarship money per year that we award to our students. And then we have quite a few external scholarships that come in as well, but internally close to \$0.5 million. [LB355]

SENATOR KOLOWSKI: Okay. Thank you. [LB355]

SENATOR SULLIVAN: Any other questions? Thank you for testimony. [LB355]

VICKI KUCERA: Thank you. [LB355]

SENATOR SULLIVAN: Welcome. [LB355]

CHRIS SCHWADERER: Good afternoon. My name is Chris Schwaderer. It's C-h-r-i-s S-c-h-w-a-d-e-r-e-r. I'm here to speak in support of LB355. I'm a 31-year-old Army veteran of the Iraq war and a University of Nebraska-Kearney undergraduate student. I'm also the single father of two daughters, Kacey (phonetic) and Sophie (phonetic), of whom I share custody with their mother. This is my fourth attempt at completing my college degree. The first three times were interrupted when I was deployed to Iraq. While I do have the Post-9/11 GI Bill that helps with my tuition, the Nebraska Opportunity Grant that I received from the state of Nebraska two of the last three years has enabled me to participate in several academic opportunities that would not have been possible if I would have had to have had a part-time job. This includes two student research projects that have been presented at the national, district, and state levels and that will eventually be published in the journal of athletic training. I've also been a member of the UNK Army ROTC program for the last four years as well as continuing my Army Reserve obligations. I'm currently the president of the Nebraska State Athletic Training (sic) Association student leadership committee. I'm also the executive officer and president of the finance committee for the UNK ROTC program. During all of this, I have taken from 15 to 19 credit hours per semester as well as summer classes to get my bachelor's degree in athletic training with a minor in military science, entrance into the military's physician assistant program, and commissioning as a second lieutenant in the United States Army Reserve in May of 2015. The Nebraska Opportunity Grants that have been awarded to me by the state of Nebraska have allowed me to receive an above-average, well-rounded education and helped to provide for me and my daughters. Also, with all of the cuts that have been coming through with military...through the

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Department of the Army and the Department of Defense, this has allowed me to--and as well as other soldiers--to be able to afford the education that they're getting. That's all I have if you have any questions. [LB355]

SENATOR SULLIVAN: First of all, thank you for your service. And is it Mr. Schwaderer? [LB355]

CHRIS SCHWADERER: Thank you. Schwaderer, yes. [LB355]

SENATOR SULLIVAN: Schwaderer, okay. So the GI bill doesn't take care of everything for you? [LB355]

CHRIS SCHWADERER: It doesn't cover all of my out-of-school expenses. It does cover...because of my active duty time, it does cover my tuition but it doesn't cover my other expenses, no. [LB355]

SENATOR SULLIVAN: Okay. And how far along are you in your education? [LB355]

CHRIS SCHWADERER: I'll graduate in May of this year. [LB355]

SENATOR SULLIVAN: And go on to...what are your plans? [LB355]

CHRIS SCHWADERER: The military's physician assistant program. [LB355]

SENATOR SULLIVAN: Fantastic. Okay. Any other questions for him? Again, thank you for service and your testimony. [LB355]

CHRIS SCHWADERER: All right. Thank you. [LB355]

SENATOR SULLIVAN: Welcome. [LB355]

JODI KUPPER: Thank you. Chair Sullivan and members of the Education Committee, good afternoon. My name is Jodi Kupper, J-o-d-i K-u-p-p-e-r, and I am vice chancellor for academic planning and partnerships for the Nebraska State College System. I'm here today to testify in support of LB355 on behalf of Chancellor Carpenter as he is currently testifying before the Appropriations Committee. As our chancellor often says, we are colleges of opportunity. We're open-enrollment institutions and we provide opportunities to many students who (1) may not

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otherwise be able to afford a college education; (2) are geographically place-bound; and/or (3) may not be able to succeed without the strong support services and individualized attention we provide. Nearly 40 percent of our undergraduate students qualify for and receive Pell Grants. Of our fall 2014 entering freshman class, approximately 45 percent report they represent first generations of their families to attend college. LB355 would continue the provision of lottery funds for the NOG Program. We believe this is necessary to provide a continuing and stable source of funding to assure the long-term continuation of this very important program. The Nebraska Opportunity Grant is critically important to the students who attend our colleges. Last year, 1,090 state college students were awarded over \$1.1 million in NOG support. The average award then for our students who receive NOG funding is just over \$1,000. Without this program, students with financial need who do find their way to college will have to rely on additional student debt to continue. Even with all federal awards and loans, as well as state assistance provided to our students, there is still a significant amount of unmet financial need based on the student and/or the family's ability to provide financial support for a college education. That unmet need at the NSCS is nearly \$5 million annually. This shows the critical need for even more support to assure that students who desire to attend our colleges are given that opportunity. The NSCS strongly supports LB355 and the continuation of lottery funds for the Nebraska Opportunity Grant program. Thank you for the opportunity to testify today. I'd be happy to address any questions. [LB355]

SENATOR SULLIVAN: Thank you, Ms. Kupper. So what percentage do the NOG grants represent in the total financial package you can offer a student? [LB355]

JODI KUPPER: That I would have to look into. I'm not sure at this time. [LB355]

SENATOR SULLIVAN: Okay. Okay. All right. Any other questions for her? What's the average cost of...at the state colleges? [LB355]

JODI KUPPER: For 15 credits, that would be \$4,200 in tuition, \$140 per credit hour. [LB355]

SENATOR SULLIVAN: Okay. [LB355]

JODI KUPPER: And then depending on the institution, room and board may run anywhere from \$5,000 to \$6,000 in addition to the tuition cost. So total is between about \$11,400 at Chadron to about \$12,400 at Peru State. So it falls into that annually. [LB355]

SENATOR SULLIVAN: Okay. All right. Very good. Any other questions? Thank you, Ms. Kupper. [LB355]

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JODI KUPPER: Thank you for your time. [LB355]

SENATOR SULLIVAN: Welcome. [LB355]

RaSHAR BIBBS: Good afternoon. My name is RaShar Bibbs. That's R-a-S-h-a-r B-i-b-b-s. I am currently a senior at the University of Nebraska-Omaha. I am here to represent the thousands of students who currently receive the Nebraska Opportunity Grant, LB355. As you are all aware, the Nebraska Opportunity Grant is a financial benefit to students that aids in the expense of college tuition. And as a recipient, I want to express to you the importance of this grant in my own life. I graduated high school in 2005 and at the time, I was offered the Gerbracht Scholarship to attend the University of Nebraska-Omaha. However, I was accepted into the University of Nebraska at Lincoln and it...where I wanted to attend school. I began in the fall at UNL. However, I struggled my first semester. After attempting college for two more semesters, I decided to drop out and join the work force. I continued to work minimum wage jobs until I realized the importance of a four-year degree. Going back to school was not easy. And financially, it was a challenge. By the time I made the decision, I had already aged out to benefit from my mother's Employee/Dependent scholarship. And during my first run of school I had a large amount of loan debt that I had incurred to cover my expenses. Due to the length of time that had passed, I was forced to work full time while being enrolled in classes full-time. However, the Nebraska Opportunity Grant provided me a relief option from furthering my debt with student loans. It allowed me the opportunity to put my education first and to reduce my work hours greatly. It has been a pivotal part of my success in higher education. The loss of these funds will significantly impact students' ability to have a quality college education. I encourage you to support LB355 which would maintain resources needed for students like myself. Passing LB355 will continue to offer students such as myself to bring knowledge, skills, and abilities to our home communities as well as our nation. I thank you for your time and consideration. [LB355]

SENATOR SULLIVAN: Thank you very much for your testimony. How far along are you in your education? [LB355]

RaSHAR BIBBS: I am now a senior. However, like I said, I graduated high school in 2005 so school was difficult for me with personal reasons as well as financially trying to support it since I turned down the scholarship option. [LB355]

SENATOR SULLIVAN: How many years have you received a Nebraska Opportunity Grant? [LB355]

RaSHAR BIBBS: I enrolled back in school in spring of 2012, so since then. [LB355]

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SENATOR SULLIVAN: Okay, very good. Any other questions for her? Thank you for your testimony. [LB355]

RaSHAR BIBBS: Thank you. [LB355]

SENATOR SULLIVAN: Welcome. [LB355]

MATT JOHNSON: Thank you. Thank you for this opportunity to speak before you at this hearing today. My name is Matt Johnson, M-a-t-t J-o-h-n-s-o-n. I come before you as the president of the Nebraska Association of State (sic) Financial Aid Administrators, NeASFAA. NeASFAA's institutional members come from all across the state from a full range of member school types including four-year public universities and colleges, two-year community colleges, four-year private colleges, and universities and vocational career schools. We are a professional organization dedicated to the service of students in higher education. We do this by providing training to persons serving in the financial aid industry and by advocating for legislation that better serves the students attending institutions of higher learning. We come before you today in support of LB355 which would maintain the current levels of support for the Nebraska Opportunity Grant from the Nebraska lottery fund. This program has served numerous students all across the state at our member institutions. For 2013-14, there were 46,185 eligible Nebraska students. And of these, 15,944, or 34.5 percent, received the Nebraska Opportunity Grant. On average, each student received about \$1,030. We are estimating, based on historical growth, that without this bill, we will be losing approximately \$10 million in lottery funds. So all things being the same, losing the lottery money will mean either serving 9,700 fewer students or greatly reducing the average award to about \$400 per student. These numbers in themselves speaks to a need for expanded funding if anything, not a reduction, when we consider that there were so many more eligible students. My professional organization, NeASFAA wants to promote two things for students: access and choice. The Nebraska Opportunity Grant assists with the promotion of these values. I believe that the state of Nebraska does a great job of providing education to our children from preschool through postsecondary education. We believe we must maintain this commitment to our students. There are too many negative ramifications of backing off from the assistance that students count on in order to be successful particularly for students in postsecondary education who are on the cusp of earning credentials that may have an impact across the full spectrum of economic activity in our state. We see the Nebraska Opportunity Grant leveling the playing field for those who are attempting to earn postsecondary educations. We know that a person's economic background has nothing to do with the talent and potential a student demonstrates either in the classroom or in their chosen profession. In a track race, we consider it fair when we start everyone at the same line. We do not put the fast runners behind assuming they can catch up and we don't put the slow runners behind simply because they may get in the way of some of the faster. They all start on the same line. They all have the same opportunity to win. By the same token, let's give both the economically advantaged and

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disadvantaged students who are preparing for their careers as equal an opportunity as possible starting out. We will never totally even the playing field. But the Nebraska Opportunity Grant assists with this goal by helping students get the education and skills necessary to work the jobs that will be required of them in the 21st century. Thank you. [LB355]

SENATOR SULLIVAN: Thank you, sir, for your testimony. Any questions for him? Thank you very much. Welcome. [LB355]

JACOB WOLLAM: Good afternoon. Chairman Sullivan and members of the Education Committee, my name is Jacob Wollam, J-a-c-o-b W-o-l-l-a-m, and I'm student at Doane College and a four-year recipient of the Nebraska Opportunity Grant. And I am here today in support of LB355. Prior to coming to Doane, I was a homeless youth from the Crete area, more specifically Hallam, but that doesn't really mean anything to anybody. As a consequence of being homeless, my senior year of high school was very different for me and my classmates other than a drive to attend college the following year. However, even in that scenario, my experience was different. Unlike many of my friends, I could not count on my parents to support me in any way when paying for college. It's thanks to a large part to the Nebraska Opportunity Grants that I was able to attend not only college but my top choice, Doane College. As a young man, choosing Doane has been the most important decision in my life thus far. The superior education, my majors-- history, international studies, and political science--my participation in Doane's Honors Program and a host of other leadership opportunities I've had at Doane has transformed me. Now not only am I a well-educated Nebraskan but one who respects and thanks his community for the investment not only in myself but in other low-income students. Without financial aid like what the Nebraska Opportunity Grant provided, I do not know if I or others in similar situations could have accomplished as much as I have at Doane. I want to thank the committee for listening to me and I hope you support LB355. And before I finish, since I'm the only here representing Doane, I want to give a little idea of what the grant does for us. So we have about 204 students that get the Nebraska Opportunity Grant money here at Doane, so an average of \$2,000 per students. And the entire institution gets \$450,000. And I myself had \$10,700 throughout my four years, so. [LB355]

SENATOR SULLIVAN: Thank you for your testimony. Any questions for Mr. Wollam? Good luck to you. Thank you for your testimony. [LB355]

JACOB WOLLAM: Thank you. [LB355]

SENATOR SULLIVAN: Welcome. [LB355]

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JEREMY BRUNSSSEN: (Exhibits 3, 4) Thank you. I'll be brief. Chairwoman Sullivan and members of the Education Committee, my name is Jeremy Brunssen, J-e-r-e-m-y B-r-u-n-s-s-e-n. I am the campus president at Kaplan University's Omaha campus and I'm speaking not only on my behalf but also on the behalf of Kate Packard, my colleague who is the president of the Lincoln campus. I am here, too, in support of LB355. As stated previously, this bill would ensure that we'd have continued, stable funding for our students attending institutions...postsecondary institutions across Nebraska. And as mentioned, sunseting this bill and not having an alternative in place through the lottery funds could result in a 50 percent reduction in those funds which is basically about half of the students at our institutions that would no longer have that opportunity. LB355 would provide that immediate and meaningful stability back into that grant funding. That's really all I need to say. I think it's been said by many. But I would like to be available for any questions you might have for me. [LB355]

SENATOR SULLIVAN: Thank you, Mr. Brunssen. Any questions for him? [LB355]

JEREMY BRUNSSSEN: All right. Thank you. [LB355]

SENATOR SULLIVAN: Thank you. Welcome. [LB355]

MIKE BAUMGARTNER: Thank you, Madam Chairwoman, members of the committee. I want to start out by addressing Senator Groene's question about how the funds are distributed. It's a statutory formula and it takes the number of eligible FTE times the tuition and fees at the college or university up to a maximum of the University of Nebraska-Lincoln tuition and fees for a full-time student, gets that number in the numerator, adds all those for every eligible college together in the denominator, and then divides the numerator by the denominator and multiplies it by the amount of money that's there in the appropriation. So whatever fraction you have of total need based on the tuition and fees across the state and the enrollment of eligible students, that's how it's distributed to the colleges. That's why you see different amounts for everyone one of them, because it's the FTE and their tuition and fees. [LB355]

SENATOR GROENE: Can I ask a question now or... [LB355]

SENATOR SULLIVAN: No, later. And we need to also have you spell your name. (Laughter) [LB355]

MIKE BAUMGARTNER: (Exhibit 5) I'm sorry. My name is Mike Baumgartner, M-i-k-e B-a-u-m-g-a-r-t-n-e-r. I'm the executive director of the Nebraska Coordinating Commission for Postsecondary Education. The Coordinating Commission has administered the Nebraska

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Opportunity Grant, as it's known, since it began in 2003. You've already heard testimony about the program from many people and, like them, I don't want to repeat too much. But I do want to say that the lottery funding has allowed the program to increase every year since 2004 which is very important because among our state's low-income students, the need continues to grow. In 2013-14, nearly 16,000 students received NOG scholarships but 30,000 did not who were qualified. If the program were to lose its lottery funding and not to be replaced by General Funds, we would lose enough students that only 13.5 percent of eligible students right now would be funded in the future. So if that funding went away or that \$10 million went away, only 13.5 of eligible students would receive funding. Nebraska ranks 33rd in the country right now in the amount of need-based aid per full-time equivalent student. For many of our needy students, receiving an Opportunity Grant could be the difference between enrolling in college or not. While I don't have Nebraska's specific figures, nationally only 21 percent of students from families in the lowest income quartile and only 29 percent of students from second income quartile who enter college earn a bachelor's degree by age 24. In contrast, 51 percent of third income quartile and nearly 100 percent of top income quartile students earn their bachelor's degree by age 24. This is exactly the same for Nebraska. It's probably a little bit different but it's probably very similar. But that's a huge discrepancy between the lower two quartiles and the top quartile. We support LB355 because it provides the clearest path to ensuring that Nebraska Opportunity Grant maintains its current level of funding and, in turn, continues to help as many low-income students as possible. Thank you for your time and I'd be happy to answer any questions. [LB355]

SENATOR SULLIVAN: Thank you, Dr. Baumgartner. When the Nebraska Opportunity Grant came into being in 2003, what was the funding stream then? [LB355]

MIKE BAUMGARTNER: Little bit of federal funds and General Funds. [LB355]

SENATOR SULLIVAN: Okay. Thank you. Senator Groene, did you have a question? [LB355]

SENATOR GROENE: Yes. Thank you, Chairman. Sir, it's split then each institution gets a check and then they...from there they decide who they give the Opportunity Grants to? [LB355]

MIKE BAUMGARTNER: That's right. So you've heard various people testifying today about how they package the aid. It's a good way for them to look at what other funds they have available. You know, in some states, it'll be turned out by a formula. In Nebraska, that discretion is left up to the institution to try to find the exact amount for each student to maximize the number of students who can benefit from it. [LB355]

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SENATOR GROENE: How do most institutions pick winners and losers of who gets the grant and who doesn't? [LB355]

MIKE BAUMGARTNER: By the need that they have and the other sources of funding that they have and trying to make sure that the students who have the greatest remaining need will be given this grant first. [LB355]

SENATOR GROENE: So the financial aid officer decides? [LB355]

MIKE BAUMGARTNER: Yes. Right. [LB355]

SENATOR GROENE: Thank you. [LB355]

SENATOR SULLIVAN: Any other questions for Dr. Baumgartner? Thank you for your testimony. Welcome. [LB355]

TIP O'NEILL: Thank you, Senator Sullivan. Members of the Education Committee, I'm Tip O'Neill, T-i-p O, apostrophe N-e-i-l-l. I'm the president of the Association of Independent Colleges and University of Nebraska. I represent 14 private, nonprofit colleges and universities. We support LB355, understand that Nebraska provides a relatively small portion of its higher education budget to student aid. Approximately 2.4 percent of our entire higher education budget is spent on student aid. The rest is spent for higher education operations. Thank...that fact ranks us last among the Big Ten states, ranks us 43rd in the nation in terms of the percentage of grant aid versus higher education operational aid. And if you look at the amount of money that we spend in General Funds for the support of the Nebraska Opportunity Grant program, we spend approximately the same amount of General Funds for the current fiscal year as we spent in the fiscal year 2001-2002. The only difference in terms of the total amount of funding that we spend for student aid purposes is actually the amount of money that we get from the lottery funds. And so students in our sector actually receive about \$740,000 less in student aid funding now than we received in 2001. And with the loss of 60 percent of our current funding which would be the percentage that we'd lose if we lost lottery funds and they weren't replaced by General Funds, our students would receive \$2.6 million less than our students in our sector received in 2001. And my conversations with members of the Appropriations Committee do not give me great encouragement that that committee is real interested in replacing the lottery earmark with General Funds at least at this time. So that is why we're supporting LB355. I'd be happy to answer any of your questions. [LB355]

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SENATOR SULLIVAN: Thank you, Mr. O'Neill. Do you have any idea how the average total cost of attending an institution of higher education here in Nebraska compares with the average cost in other states? [LB355]

TIP O'NEILL: I do know that our tuition in the independent sector is about 20 percent less on the...than the national average for colleges in the independent sector. [LB355]

SENATOR SULLIVAN: Okay. Very good. Any other questions for Mr. O'Neill? Thank you for your testimony. [LB355]

TIP O'NEILL: Thank you. [LB355]

SENATOR SULLIVAN: (Exhibit 6) Anyone else wishing to testify in support of LB355? Anyone wishing to speak in opposition? Or in a neutral capacity? Oh, excuse me, there is one letter in a neutral capacity again from Roger Breed of the Greater Nebraska Schools Association. Senator Morfeld. [LB355]

SENATOR MORFELD: Well, thank you, members of the committee. Again, this is just to maintain the status quo. We're not asking for a bigger piece of the pie or anything like that. But this is a critical program. As Mr. O'Neill just stated, he has some great data on how we compare to other states being 43rd in the nation in this type of need-based aid and then also last in the Big Ten. I think that there is a lot more that we can do. But I think right now maintaining this source of funding in the lottery funds is the right way to go. In addition, you know, there's a lot of middle-income students. And you looked at...I have a fact sheet that I'll pass out a little bit later or that perhaps the gentleman from the Coordinating Commission already passed out that there's actually 40,000 Nebraska students that would actually qualify for this aid but can't receive it because there's not enough resources as it is. So that being said, I'm more than happy to answer any questions. And I apologize to the committee. I'm going to have to leave after this to teach which helps me pay off my student loans. (Laughter) And so I'd be more than happy to answer any questions. [LB355]

SENATOR SULLIVAN: Thank you, Senator. [LB355]

SENATOR MORFELD: Thank you very much. [LB355]

SENATOR SULLIVAN: This closes the hearing on LB355. [LB355]

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SENATOR KOLOWSKI: At this time, we will open the hearing on LB520. Senator Sullivan, welcome. [LB520]

SENATOR SULLIVAN: Thank you, Senator Kolowski and members of the committee. I'm Kate Sullivan, K-a-t-e S-u-l-l-i-v-a-n, from Cedar Rapids representing District 41 and here to present to you...is it LB520? [LB520]

SENATOR KOLOWSKI: LB520, yes. [LB520]

SENATOR SULLIVAN: Thank you. (Laugh) In its simplest form, what LB520 does is provides a mechanism for phasing the use of the lottery dollars out and phasing in more General Funds to be used for these Nebraska Opportunity Grants that we've been hearing about. And as has been explained to you, Nebraska Opportunity Grants are state need-based aid grants for postsecondary education. And currently they are funded but a combination of using lottery funds and General Funds. And of course you heard that in its inception in 2003, the funding stream was totally from the General Funds. Approximately, right now, \$6.7 million comes from the General Fund and \$9.3 million from the lottery fund to take care of these Nebraska Opportunity Grants. By...via our state constitution, 24.75 percent of the available lottery funds are currently dedicated to these grants and, as you have heard numerous times today, the lottery funding is currently scheduled to end--the current uses of it--on June 30, 2016. So LB520 provides a mechanism of phasing out the lottery funds for the Opportunity Grants over a three-year period, shifting approximately \$2.3 million more to the General Fund each year. And the lottery funding then for the Nebraska Opportunity Grants would officially end on June 30, 2019. Want to also indicate that recognizing the importance, as we have heard, of these Nebraska Opportunity Grants and providing that financial support for need-based students, an intention would be stated in LB520 to replace lottery funding with appropriations from the General Fund as the lottery funds are decreased. So that, in essence, is the nuts and bolts of LB520. Thank you. [LB520]

SENATOR KOLOWSKI: Thank you. Committee, any questions for the senator on that? Just for clarification again, over three years at \$2.3 million a year... [LB520]

SENATOR SULLIVAN: Two million three hundred thousand a year, um-hum. [LB520]

SENATOR KOLOWSKI: ...a year shifting from one to the other. [LB520]

SENATOR SULLIVAN: So that it...from lottery so that eventually it all comes from the General Fund. [LB520]

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SENATOR KOLOWSKI: Thank you. Yes, ma'am, Senator Cook, thank you. [LB520]

SENATOR COOK: Thank you. I'm recalling in the few hearings I was able to attend related to lottery that our intention as a committee was that this be part of how we do business in the state of Nebraska and less an indictment of the programmatic funds itself. [LB520]

SENATOR SULLIVAN: You're right, Senator Cook. I don't think that any of us want to see the funding for these important need-based financial support programs for students diminished. [LB520]

SENATOR COOK: No. I just wanted to get that on record because there are so many new people on the committee and I...and perhaps some of the people that showed up to testify may have had that thought. [LB520]

SENATOR SULLIVAN: Right. Thank you. [LB520]

SENATOR KOLOWSKI: Any other questions? Senator Groene, please. [LB520]

SENATOR GROENE: Clarify...thank you, Chairman. Clarify for me, in the state constitution: 44.5 percent of the money remaining after the payment of prizes and operating expenses to Gambler's Fund shall be used for education as the Legislature may direct. Is that correct? [LB520]

SENATOR SULLIVAN: Um-hum, yes. [LB520]

SENATOR GROENE: So the 24.5 percent is something the Legislature decided to do. [LB520]

SENATOR SULLIVAN: No. It's...well, okay. Yes, it's...correct. The constitution designates that 44 percent to education. We have divided it according to 24.75 percent goes to the Nebraska Opportunity Grants. The remainder goes to the variety of different other things all the way from early childhood grants to distance education, all of those other uses for lottery. [LB520]

SENATOR GROENE: And that's all by statute not by constitution? [LB520]

SENATOR SULLIVAN: Yes, yes, yes, thank you. [LB520]

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SENATOR GROENE: So actually you could put all of it into the General Fund and say it's going to education or to TEEOSA if you wanted to? All right. Thank you. [LB520]

SENATOR KOLOWSKI: Other questions, please? All right. Seeing none, thank you. Can we have proponents for LB520, please, come forward...those...anyone speaking for it? Seeing none, opponents, please, for LB520. Good afternoon. [LB520]

MARY SOMMERS: Good afternoon. My name is Mary Sommers, M-a-r-y S-o-m-m-e-r-s. I'm the director of student financial aid at the University of Nebraska at Kearney and I'm speaking against LB520 today. I'm the contra to the pro that you heard many of my colleagues speaking earlier in...as proponents of the Nebraska Opportunity Grant and the current funding mechanism. At the University of Nebraska at Kearney, I'm representing my students when I speak a little bit specifically about my campus. About 40 percent of our students are first-generation college students. And we receive about \$1 million annually, a little over \$1 million annually, in Nebraska Opportunity Grant funds. I have 633 of my students, my undergraduate students, receiving the Nebraska Opportunity Grant right now on campus and an average award of about \$1,654. My students are very eligible for the Federal Pell Grant program because of first-generation status. There's definitely a parallel between first-generation college student status, lower socioeconomic incomes and, therefore, eligibility for the Federal Pell Grant and as a result certainly eligibility for the Nebraska Opportunity Grant. I really can't overstate the importance of a secure funding mechanism for this grant program for my students. You do state in LB520, LB519 that the Legislature finds the Nebraska Opportunity Grant is an important state program and that the allocation from the State Lottery Operation Trust Fund should be fully replaced with funding from the General Fund through the provided state budgeting process. So I hear that stated commitment in this legislation. So you may say, are you being just a little alarmist in saying that the commitment to the Nebraska Opportunity Grant would not be maintained if the lottery funds were slowly phased out over time? I suppose it's possible people could stop buying lottery tickets, too, and the funding mechanism through the lottery fund could also go down. But my students really can't afford vulnerability. My students need this regular stream of funding that is secured through the Nebraska Opportunity Grant through the lottery. I think moving it to the General Fund makes it more vulnerable, makes it riskier, and that's a \$1,654 grant that I don't have a funding mechanism to replace for my students. So as my colleagues have stated so eloquently, what we're looking at is a shift away from grant aid to other funding resources and, in many cases, that would be loans or it would be reduced credit hour enrollment to increase work to pay for college. I'm happy to answer any questions you might have. [LB520]

SENATOR KOLOWSKI: Thank you. Any questions from the committee? Seeing none, thank you very much. [LB520]

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MARY SOMMERS: All right. Thank you. [LB520]

SENATOR KOLOWSKI: Any other opponents, please. Welcome. [LB520]

JODI KUPPER: Hello again. Senator Kolowski and members of the Education Committee, good afternoon. My name is Jodi Kupper, J-o-d-i K-u-p-p-e-r, and I am vice chancellor for academic planning and partnerships at the Nebraska State College System which includes Chadron State, Peru State, and Wayne State Colleges. I'm here to testify in opposition to LB520 on behalf of Chancellor Carpenter. LB520 proposes the graduate phaseout of Nebraska Opportunity Grant funding from the lottery funds and at the same time includes intent language related to the provision of General Funds to replace those funds. The NSCS strongly supports the continuation of the NOG program. Lottery funds over the years have provided a dedicated funding source for the NOG program. Lottery funds have provided gradually increasing support for NOG while federal funds for the program have disappeared and state funding has remained relatively stable. Moving all NOG funding to General Funds, assuming the state is willing to replace the lottery funds with General Funds, leaves the NOG program very vulnerable to state budget challenges in the future. In addition, the Appropriation Committee's recent unanimous vote against the transfer of funds to the General Funds causes great concern. In summary, the NCSC strongly supports the NOG program but has concerns with the move from lottery funds to General Funds for the program. Thank you for your...for the opportunity to testify. Any questions? [LB520]

SENATOR KOLOWSKI: Thank you. Questions, please? Yes, Senator. Senator Cook. [LB520]

SENATOR COOK: Thank you, Senator Kolowski. Thank you for your testimony. Can you nail down timewise when you made the decision to testify in opposition to the bill? Was it before the Appropriations Committee's vote or after that? [LB520]

JODI KUPPER: It was before. [LB520]

SENATOR COOK: Okay. [LB520]

JODI KUPPER: But the Appropriations Committee's vote increased the concern. [LB520]

SENATOR COOK: Kind of sealed the deal? And were you aware that when we met over the summer that our intention was to solidify support for the program? That's in our report, that blue lottery report. You've not seen that? [LB520]

JODI KUPPER: I have not seen that. [LB520]

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SENATOR COOK: Thank you. [LB520]

SENATOR KOLOWSKI: Thank you. Any other questions, please? Thank you very much. Any additional people--yes, here we go--in opposition, please? [LB520]

TIP O'NEILL: Thank you, Senator Kolowski and members of the Education Committee. I'm Tip O'Neill. That's T-i-p O, apostrophe, N-e-i-l-l. I'm here to oppose LB520 basically for the same reasons that I was here to support LB355. I really have nothing further to add except that we are concerned about, obviously, losing money. It's...the only money, actually, that our students receive from the state is through the Nebraska Opportunity Grant Program and we believe it makes those students more vulnerable if the lottery earmark goes away. I'd be happy to answer any questions you might have. [LB520]

SENATOR KOLOWSKI: Seeing none, thank you very much. [LB520]

TIP O'NEILL: Thank you. [LB520]

SENATOR KOLOWSKI: Any other opponents, please, for LB520? Anyone else against? Anyone speaking in the neutral category, please? Doctor, welcome again. [LB520]

MIKE BAUMGARTNER: Thank you, Mr. Chairman. My name is Mike Baumgartner, M-i-k-e B-a-u-m-g-a-r-t-n-e-r. I'm the executive director of the Coordinating Commission for Postsecondary Education. First, I need to correct myself. I apologize to Senator Sullivan. In my previous statement: Before 2003, when the Nebraska Opportunity Grant started, it was...all the financial aid, need-based financial aid, was General Fund and federally funded. In 2003-2004, the first year of NOG, there was lottery funding for that. And I misspoke earlier and I apologize for that. I testified earlier on the tremendous need for the Nebraska Opportunity Grant to remain funded at its current level at a minimum, specifically to maintain that portion that comes from the lottery revenue. This bill would gradually phase out lottery funding as opposed to the current statute which ends lottery funding on June 30, 2016. We appreciate this gradual reduction and the bill's clearly stated intent that the Legislature should replace those funds with General Funds appropriations. Ultimately, the Coordinating Commission supports any legislative action that maintains or increases funding for the Nebraska Opportunity Grant whether that's entirely through General Fund appropriations or a combination of General Funds and lottery funds. However, we are very concerned about the state's capacity to replace what is currently \$10 million in lottery funds with General Fund appropriations. Thank you very much. [LB520]

SENATOR KOLOWSKI: Any questions, please? Senator Cook. [LB520]

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SENATOR COOK: Thank you, Senator Kolowski. Thank you. How...you said that up until '02 or '03 it was all General Funds. How much money was it then? [LB520]

MIKE BAUMGARTNER: I would actually have to turn to one of my colleagues. [LB520]

SENATOR COOK: Okay, or follow up in e-mail. [LB520]

MIKE BAUMGARTNER: Yeah, I will follow up with an e-mail. [LB520]

SENATOR COOK: All right. I appreciate that, because at some point it was a priority for the state to provide those kinds of scholarships for students in need and then it kind of got shifted over. So thank you. [LB520]

MIKE BAUMGARTNER: You're welcome. I...yeah, I'm sorry, I'm six months in and I feel like I'm fairly comfortable in the job but 2003 is before me and I don't have it. [LB520]

SENATOR COOK: Sure. [LB520]

SENATOR KOLOWSKI: I understand. Earlier, sir, did you mention where we stood in the Big Ten as far as giving, as a state, from our General Fund to this cause? [LB520]

MIKE BAUMGARTNER: We're very low. I believe we're the last in the Big Ten. We're 33rd in the country. But it has not been a priority like it has been in some states. We support institutions more than we supported the financial aid program in the past. [LB520]

SENATOR KOLOWSKI: Thank you very much. Senator Groene, please. [LB520]

SENATOR GROENE: Thank you, Chairman. But hasn't the taxpayers of Nebraska supported education because we're also the lowest in the Big Ten in tuition at UNL and I think we're lower at community colleges, we're lower in state colleges? So we've supported the taxpayers overall... [LB520]

MIKE BAUMGARTNER: Yes. [LB520]

SENATOR GROENE: ...by keeping tuitions low? [LB520]

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MIKE BAUMGARTNER: Yeah. Yeah, Nebraska has supported a model of low tuition and has not put in as much into need-based financial aid. That's true. [LB520]

SENATOR GROENE: Okay. Thank you. [LB520]

SENATOR KOLOWSKI: Thank you. Any other questions? Thank you very much. [LB520]

MIKE BAUMGARTNER: Thank you. [LB520]

SENATOR KOLOWSKI: Anyone else in a neutral capacity, please, neutral capacity for LB520? Back to Senator Sullivan, please. [LB520]

SENATOR SULLIVAN: Thank you, Senator. And I want to emphasize again the feelings of the committee. When we deliberated on the lottery study last summer, and I think in reference also to Senator Cook's comment, we recognized the importance of need-based aid for financially needy students. We also view it as a state responsibility which is why we felt that there needed to be a return to using...the majority of this funding source be General Funds rather than lottery but recognizing also some of the concerns that we have depending upon what the Appropriations Committee decisions are that this transition would ease us down that path. Thank you. [LB520]

SENATOR KOLOWSKI: (See also Exhibit 1) Thank you. Any final questions for Senator Sullivan, please? Seeing none, that closes LB520 and we'll now move on with Senator Sullivan to LB519, please. [LB520]

SENATOR SULLIVAN: Thank you, Senator Kolowski and members of the committee. I'm Kate Sullivan, K-a-t-e S-u-l-l-i-v-a-n, here to introduce to you LB519. And as Senator Groene indicated earlier, the Nebraska constitution requires that 44.5 percent of all lottery proceeds after prizes, expenses, and an initial transfer of \$500,000 for compulsive gamblers be used for education. Now, to delineate how those funds are currently used, they are being used as follows: the need-based postsecondary education aid that we've heard about today, also forgivable loans for current and prospective teachers, early childhood education, high-ability learners, the Interstate Compact for Educational Opportunity for Military Children, distance education equipment and incentives, support for reorganizing school districts, an ACT pilot project, and alignment of career education programs. And all of these so-mentioned programs and allocations are currently set to expire on June 30, 2016. Per legislation that we passed last year under LB497, the Education Committee conducted the study regarding the future use of such funds for educational purposes. And the report was completed in December and you received an electronic copy of that report when we sent out the bill summaries for this week. So that's available to you.

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The bill was introduced and...to implement the recommendations of that report. The committee generally, to review some of the things that the committee finally determined as a result of our study on the lottery funds: funding existing lottery-funded programs through the state budgeting process pursuant to the budget requests of the Department of Education and Coordinating Commission that allocate lottery funds to support the acquisition of skills and credentials associated with trade occupations that are experiencing shortage of qualified workers and to allow the majority of lottery dollars to return to their original purpose of providing grants to support innovation and research to improve education. There was one dominant theme that guided the committee in their deliberations and that was the difference between lottery proceeds and general state tax receipts. Lottery proceeds, I would venture to tell you, are unpredictable and are voluntarily generated from a limited segment of the population without regard to many of the factors that are generally relied upon to direct tax policy. With this in mind, the committee concluded that it is the function of the state General Fund to support state responsibilities and priorities. The original intent for lottery funds was to allow for the incubation of innovative ideas. The currently lottery-funded programs are generally either specific programs that are in the process of showing results, ongoing programs that were removed from the General Fund in response to tight budgetary circumstances, or temporary programs that have run their course. In addition, during the 2014 interim, the Education Committee conducted a strategic planning process that led to the development of a vision for lifelong education in Nebraska. The committee believed that allowing grants to be awarded for innovative programs that support the vision would assist the state in moving forward toward those goals. The committee also supported focusing grants in a way that would have a real impact rather than providing small amounts of funding to a large array of different programs. During the strategic planning process, there were many different perspectives that focused on the need for an education...for education to recognize the great diversity in both student interests and business needs. One area that was of particular interest to the committee was the shortage of qualified graduates in trade occupations and the financial obstacles faced by students whose interest may align with these employment areas. So the committee proposed allocating the funds for ten years beginning in July 1, 2016 such that the unallocated balance of the Nebraska Education Improvement Fund will be maintained at a level to 10 percent of the total available funds and the remainder would be allocated as follows, and this is really the meat of LB519: It recommends 40 percent to the State Board of Education for innovative grants, 40 percent to the Coordinating Commission for innovative grants, and 10 percent to the State Board of Education to assist high school students with postsecondary and certification costs associated with trade occupations that are experiencing shortages of qualified workers, and 10 percent to the Coordinating Commission for Postsecondary Education to assist community college students in the same manner. The sunset after ten years would allow a future Education Committee a new opportunity to evaluate the best uses of lottery proceeds for enhancing education in Nebraska. The one addition in LB519 to the concepts discussed in the report that was really not included in this report is a method for continuing funding and replicating successful projects. It goes like this: A new best practice

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allowance and best practices aid would be...would provided the State Board of Education a way to support projects that are found to demonstrate best practices based on the required evaluation. The payment of 50 percent of the allowance as direct aid would provide that support to all participating districts regardless of their equalization status. The Education Committee planned for the vision established during that 2014 interim study to be an evolving concept. Likewise, the committee recognized that educational priorities and circumstances will also continue to evolve. In addition, the designation of a 10 percent minimum balance in the fund will allow for future Education Committees to react to unanticipated events. The current uses of the lottery proceeds have evolved in large part as a protective response for educational priorities in light of changing economic circumstances. But for now, I believe that LB519 represents the direction that I believe the committee should consider. And I'll be happy to entertain any questions. Thank you very much. [LB519]

SENATOR KOLOWSKI: Thank you, Senator Sullivan. Would you discuss the fiscal note with us briefly just as to the amount for the...you've mentioned the ten years and how that breaks in and is spread out by percentages. But the amount needed then would...is that the \$7 million that is listed in the front of the... [LB519]

SENATOR SULLIVAN: I'm sorry, Senator Kolowski. I don't have the amount in front of me. But I'll go back to the breakdown. Assuming that we talk about a general amount that has been in the lottery fund and breaking that down according to the percentages that I had indicated, that 40 percent of the...leaving 10 percent in there for a cushion, if you will, but then the remaining 90 percent going out in those percentage breakdowns that I talked about, if that helps: 40 percent to the Board of Education for innovation grants, 40 percent to the Coordinating Commission, 10 percent both to the Board of Education and 10 percent to the Coordinating Commission for that aid to students who are working towards certification in the trade occupations. [LB519]

SENATOR KOLOWSKI: Thank you. Other questions for Senator Sullivan, please? Yes, Senator Baker, please. [LB519]

SENATOR BAKER: Senator Sullivan, you know, I feel sorry for you a little bit. You've got five new committee members now. I used to hate it when new board members came on and wanted to plow ground that we'd already plowed before they got on. But, you know, I'm not confident that the state...that we're going to get replacement of these things out of the General Fund, not just...if we could look into a crystal ball and know that that was going to happen, we could proceed. Otherwise it's weighing it out again. I'm sorry you've already done that once but five of us haven't. [LB519]

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SENATOR SULLIVAN: Well, and I think your point is well taken and that's one of the deliberations that we're going to have to have as a committee. And it's not, in my estimation, reinventing the wheel or going over a discussion we had last year. This is a new committee. You've heard testimony. You're going to continue to hear testimony. And I trust you'll use your good judgement in what we ever decide to send out as a committee. [LB519]

SENATOR BAKER: Sounds good. [LB519]

SENATOR KOLOWSKI: Any other questions, please? Seeing none, thank you. Could we have proponents for LB519, please? [LB519]

JOHN SPATZ: Good afternoon. [LB519]

SENATOR KOLOWSKI: Good afternoon. [LB519]

JOHN SPATZ: (Exhibit 1) Senator Kolowski and members of the committee, my name is John Spatz. It is spelled S-p-a-t-z and it is pronounced "spots." I appreciate the opportunity to be here today and I appreciate Senator Sullivan for this opportunity as well. We're supportive of this concept. And one of the reasons why I'm here today--and I'm representing the Nebraska Association of School Boards--one of the reasons I'm here today is to encourage support for the Nebraska Whole Child Project. And what that is is an interlocal agreement of school districts and ESUs from across the state. And one of the reasons why we're advocating for this now is because this is kind of a unique partnership. We think this fits the mold of what Senator Sullivan talked about: innovative projects. It's time certain. We're asking for \$250,000 a year for four years as startup costs for this. We have what we think is a very unique opportunity in the state of Nebraska. We have a short-term vision and a long-term vision. The short-term vision of the Whole Child Project is to bring together school districts to look at data that you have before you from the Lincoln Public Schools that links very...that shows a very strong linkage between the fitness of a student and student achievement. What we've found out: that there's actually a stronger correlation between the health and fitness of a student and achievement than there is between the obesity or BMI of a student and student achievement. So one of the things we want to be able to do is get this type of data in every school that wants it, certainly not mandating it, but having people hired through the Whole Child Project to collect this type of data in every school district that would want it, number one. Number two, we want to share best practices. There are some things going on in the state of Nebraska in some of our school districts that are recognized nationally, some of our school districts. We have some great things going on. In fact, we have a conference coming up on April 14 called the SWEAT Conference: Student Wellness in Education and Training Conference on April 14 where we're going to bring together experts in the field of student health and wellness to discuss what's happening in schools that's working.

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That's number two. And number three: We'd love to be able to provide resources through the Whole Child Project to help create healthy cultures in every school building in the state. Now, this is what we envision being a public/private concept. We are really planning on tapping into the private sector to fund the vast majority of this. But what we're looking at doing is creating some startup costs and NASB is going to be invested in this as well. So there's going to be some reason for us to make sure that this gets off and running and is self sustaining financially. But really the long-term vision is something I'm very interested in. If you've talked to superintendents across the state, an issue that's you've probably heard, like I have, that's very important with students is mental health. And one of the things that I think the Whole Child Project can and should do is begin building a vision for how we can utilize this infrastructure in the Whole Child Project to address student mental and behavioral health. This, quite frankly, wasn't on the radar screen of NASB a few years ago. But we'd love to engage superintendents--and we've already started doing that--school psychologists, counselors, and other folks to identify how we can build a vision, what we can do to address student mental and behavioral health in the school districts across the state of Nebraska through this infrastructure we hope to create with the Nebraska Whole Child Project. And I see my red light is on, but I'd be happy to answer any questions. [LB519]

SENATOR KOLOWSKI: Thank you. Thank you, Mr. Spatz. I appreciate that very much and one question I had: Are...with your Whole Child program, are you looking at applying for funds then within what would be available as described by Senator Sullivan? [LB519]

JOHN SPATZ: We would, we would, but also that wouldn't start until June of 2016. If there was a carve-out in this legislation, we could start immediately. Because of the relationship of NASB, we're going to be very invested in to this program as well. If we got confirmation that this would be funded at a future date through this legislation, we could start this project right now. Quite frankly, what we need to do is hire somebody to run it because what we've found is that the amount of time we can devote to it internally right now is very, very limited. And we think if we have somebody hired we really see a lot of opportunities in collaborating with the private sector to fund this program into the future. Now, we don't think, if you went out and started this program, we could do it for \$250,000. But with the cooperation and collaboration with the Nebraska Association of School Boards, we can get this done. [LB519]

SENATOR KOLOWSKI: Thank you. Any additional questions, please? Yes, ma'am. [LB519]

SENATOR PANSING BROOKS: Thank you, Mr. Spatz. Thank you for coming. Does this have something to do with the Foster Healthy Weight in Youth program or study that came out? Do you know about that? [LB519]

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JOHN SPATZ: No. No, I don't believe it does. [LB519]

SENATOR PANSING BROOKS: No, it doesn't? Okay, because I... [LB519]

JOHN SPATZ: No. This is very specifically related to data that we saw that the Lincoln Public Schools was able to collect that linked fitness and student achievement. And in that material that you see, there is a very strong correlation. Now, obviously if students are healthier, that's not the only piece to the puzzle when we look at at-risk students and poverty students. But we do think it's a very significant item all across the state in addressing if we want to make a change. [LB519]

SENATOR PANSING BROOKS: Okay. I just...I was looking through this and I think that there's a Dr. Karla Lester who also should be involved in this. [LB519]

JOHN SPATZ: Oh, yeah. Yep. [LB519]

SENATOR PANSING BROOKS: And is she also working on this, because she's done a significant amount of work and is coordinating with a hospital in Omaha and bringing it here in Lincoln, so? [LB519]

JOHN SPATZ: Yep, yep, yep. We've had many conversations with Dr. Lester and she's advised us and... [LB519]

SENATOR PANSING BROOKS: Okay, I hope that she would be included significantly in that organization and what's going on with that. [LB519]

JOHN SPATZ: Yep. And as we speak right now, we're putting together an advisory committee of people like Dr. Lester. She and I have had numerous conversations about this. And I anticipate her being involved with this to some degree. [LB519]

SENATOR PANSING BROOKS: Okay. I'm just disappointed not to have her name on that group. So that's what I'm saying. Thank you. [LB519]

JOHN SPATZ: Yep. Yep. [LB519]

SENATOR KOLOWSKI: Other questions, please? Seeing none, Dr. Spatz, thank you very much. We appreciate it. [LB519]

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SENATOR PANSING BROOKS: Thank you. [LB519]

JOHN SPATZ: Thank you very much, appreciate it. [LB519]

SENATOR KOLOWSKI: Additional proponents, please. Jon, welcome again. [LB519]

JON HABBEN: Thank you, Senator Kolowski and members of the committee. My testimony on this will... [LB519]

SENATOR KOLOWSKI: Spell your name, please, again, for the record. [LB519]

JON HABBEN: Oh, I'm sorry. Jon, J-o-n, Habben, H-a-b-b-e-n, Nebraska Rural Community Schools. My testimony will revolve around just several pieces. One is the idea of identifying best practices and, equally as important, being able to spread those best practices, I think, is a critical component as we look down the road in education. I see it in the use of distance education. I see it in the use of the actual teacher and student relationship within a single classroom. I think there's a lot more potential there and I think it is a very positive piece toward growing education statewide. Secondly, the identification of shortage areas and, for example, the collaboration with community colleges, developing trade certificates, I think those are all very important pieces because part of what we, as schools, want to do is to respond to our public need. And the public need identifies areas of shortage. We talk a lot about not being able to find teachers in this or that area. Well, that occurs in many places not simply just teachers. And I think in...attempting to prepare students to enter those areas and to help them enter those areas I think is a very positive piece of this legislation. With that, I'll answer any questions. [LB519]

SENATOR KOLOWSKI: Thank you. Thank you, Dr. Habben. Questions, please, from the committee? Seeing none, thank you very much. Additional proponents, please? Welcome. Good to see you this afternoon. Thank you. [LB519]

MIKE LUCAS: (Exhibit 2) Thank you. My name is Mike Lucas, M-i-k-e L-u-c-a-s. I am superintendent of York Public Schools, so I'm here representing the York Dukes but also STANCE. Since the last time I was before you, we've added two new schools to our membership so we've added Beatrice and Holdrege. We're now 15 member schools as you'll see below. We want to thank Senator Sullivan for her continued leadership. We were excited to learn about LB519 and we sure hope it gets moved forward. There are an awful lot of innovative things going on within school districts across the state of Nebraska of all sizes and we feel this is a great way to continue to promote that. Just in little old York, Nebraska, we have an agronomy academy with Seward and Centennial that is cosponsored by the seed corn industries up there

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along Highway 34. We have a student internship at the truck center, express truck center, there along our nice Interstate 80 exit. We have...we're working with Reinke out of Deshler, Nebraska, on some irrigation tech programming and it's going to be...we need help to do these innovative practices. Prior to coming to York, Nebraska, where we certainly have more opportunities than some places, I served as superintendent in Franklin, Nebraska an hour south of Kearney. And the places like Franklin can utilize incentives like this as well. And we see this as a STANCE membership as something that all school districts in our great state could be excited about. So we appreciate Senator Sullivan bringing it forward. [LB519]

SENATOR KOLOWSKI: Thank you, Mr. Lucas. The committee, any questions for him, please? Thanks very much, Mike. [LB519]

MIKE LUCAS: Thank you. [LB519]

SENATOR KOLOWSKI: (Exhibit 3) Additional proponents for LB519, please? Seeing none, opponents for LB519? Any opponents for LB519? Sorry, Tip, just a second, please. We do have one additional proponent that has written in, Rachel Wise, president of the Nebraska State Board of Education. Thank you, Tip, please. [LB519]

TIP O'NEILL: Sure. Senator Kolowski, members of the Education Committee, I'm Tip O'Neill, T-i-p O, apostrophe, N-e-i-l-l, testifying against this bill for many of the same reasons that I testified in favor of LB355. The difference between this bill, actually, and the last bill is this makes the lottery money for the Opportunity Grant go away immediately, as I understand it and would require us to replace the lottery money with General Funds immediately for the Nebraska Opportunity Grant program. And so if anything, it would be, you know, maybe even more difficult for us to deal with than the last one. And I'm not here to denigrate any of the proposals that my K-12 colleagues were talking about earlier because I think they're probably fine, fine proposals and good things to do. I'm just saying that, from our standpoint, student aid is a really important issue for us as far as the state is concerned and we are concerned about losing that source of revenue that has been a stable source of revenue for us. So with that, I'd be happy to answer any questions you might have. [LB519]

SENATOR KOLOWSKI: Thank you. Questions for Dr. O'Neill, please? Anyone? Seeing none, thank you very much. [LB519]

TIP O'NEILL: Thank you. [LB519]

SENATOR KOLOWSKI: Any other opponents to LB519? Welcome again. [LB519]

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MARY SOMMERS: Good afternoon. I'm Mary Sommers. I'm the director of student financial aid at the University of Nebraska at Kearney. [LB519]

SENATOR KOLOWSKI: Spell your name, please. [LB519]

MARY SOMMERS: M-a-r-y S-o-m-m-e-r-s. [LB519]

SENATOR KOLOWSKI: Yes, thank you. [LB519]

MARY SOMMERS: And I'm here to speak in opposition to LB519 on behalf of the University of Nebraska and again, for many of the similar reasons that we've stated previously about the importance of a consistent and stable funding source for the Nebraska Opportunity Grant. And I'm fearful that if this legislation passed and we don't have appropriations through the General Fund that the impact for my students at the University of Nebraska at Kearney and certainly for all students at the University of Nebraska who are needy would be pretty draconian and dramatic. Thank you. Any questions? [LB519]

SENATOR KOLOWSKI: Any questions for Ms. Sommers? Thank you very much. [LB519]

MARY SOMMERS: Thank you. [LB519]

SENATOR KOLOWSKI: Appreciate it. Any additional opponents, please? Welcome again. [LB519]

JODI KUPPER: Hello again. My name is Jodi Kupper, J-o-d-i K-u-p-p-e-r. I'm vice chancellor for academic planning and partnerships for the Nebraska State College System. I'm here today to testify in opposition to LB519 on behalf of Chancellor Carpenter. As stated by others, LB519 sets forth the new programs for lottery funds. We appreciate the planning and the oversight that went into the proposal and appreciate the proposed provision of funding for higher education innovative grants. However, as shared previously, we find ourselves in a difficult position because we cannot support the proposal if it means the potential loss of dedicated funding stream for the Nebraska Opportunities Grant Program. The financial aid provided through NOG is critical to students with financial need. It is the only state program focused on need-based financial aid. Thank you for the opportunity to testify. [LB519]

SENATOR KOLOWSKI: Thank you very much, Ms. Kupper. Any questions, please? Seeing none, thank you. Any additional opponents to LB519? Seeing none, any neutral statements? Welcome. [LB519]

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JOHN THOMSEN: (Exhibit 4) Senator, my name is John Thomsen, J-o-h-n T-h-o-m-s-e-n, and I'm here as the executive director of the Nebraska Association for Gifted Children, a nonprofit in Nebraska since 1957 and in a neutral position. We're very confident that the Education Committee will see the significance and continue to guide the legislation as outlined. But we, too, may be concerned but we're also very confident about the status of future funding for high-ability students. I'm often asked what would be missing as a result of the lack of funding. Well, I'm sharing with you a conference brochure that happened last Thursday and Friday in which 300 attendees attended a conference in Nebraska in Omaha. And in that conference brochure you get an idea of some of the breakout sessions and some of the teacher advocacy and training programs that were available. And with that, I will conclude my comments and ask if there's any questions that I can answer. [LB519]

SENATOR KOLOWSKI: If I may, how did the conference go as far as attendance and... [LB519]

JOHN THOMSEN: We are in a four-year sequence of increasing attendance at our conference. All four years have been at Omaha and we're very pleased that our attendance goes up. I've also included a list of attendees at that conference in that conference brochure. [LB519]

SENATOR KOLOWSKI: Thank you, Mr. Thomsen. Any questions, please, for Mr. Thomsen? Seeing none, thank you and good luck with your work. [LB519]

JOHN THOMSEN: Thank you. [LB519]

SENATOR KOLOWSKI: Any additional neutral statements, please? Welcome again. [LB519]

MIKE BAUMGARTNER: Thank you, Senator Kolowski. My name is Mike Baumgartner, M-i-k-e B-a-u-m-g-a-r-t-n-e-r. I'm the executive director of the Coordinating Commission for Postsecondary Education. First, I want to commend the Education Committee's thorough work in putting together the lottery funding study and resulting report. The report offers important context and thoughtful ideas on how to best utilize lottery funds and we believe it's important that the state periodically conduct such reviews to assess the effectiveness of how the state funds are being used. We support the bill's intended purpose of encouraging innovation and if the bill were to go forward, the Coordinating Commission would look forward to administering the proposed postsecondary grant programs. However, as with LB520, we have concerns about how this bill addresses future funding for the Nebraska Opportunity Grant. I've testified earlier on the tremendous need for the Nebraska Opportunity Grant to remain funded at its current level at a minimum, specifically the \$10 million portion that currently comes from the lottery. As I stated earlier, the Coordinating Commission supports any legislative action that maintains and increases funding for the Nebraska Opportunity Grant whether that's entirely through General Funds or a

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combination of General Funds and lottery funds. And we greatly appreciate the clear statement in LB519 that the Opportunity Grant is an important state program that should be funded through the General Fund. However, we remain very concerned about the state's capacity to replace what's currently \$10 million in lottery funds with General Fund appropriations. Thank you. [LB519]

SENATOR KOLOWSKI: Thank you. Any questions, please, from the committee? Seeing none, thank you very much. Anyone else in a neutral capacity for LB519? Seeing none, Senator Sullivan, please, to close. [LB519]

SENATOR SULLIVAN: Thank you, Senator, and just a couple reminders and placing emphasis on certain things: We are constitutionally bound that we have to dedicate 44.5 percent of those lottery proceeds to education. The next step is in our responsibility. We decide how those funds are to be used. And that was what the committee deliberated on this last summer and produced the lottery study for you. To the best of my ability, I think LB519 represents those deliberations that we return to a focus on innovation which was what originally the Education Innovation Fund was designed to do and to support. We don't want to diminish the value and the importance of need-based aid for students. But we also said that it needed to be a statewide priority funded by General Funds. But I will also leave you with the fact that, yes, we are a committee that takes to heart and listens attentively to the public testimony on these bills and ultimately we will decide in the best interests, I believe, of Nebraska students how these funds should be used. Thank you. [LB519]

SENATOR KOLOWSKI: Thank you. Any questions from the committee for Senator Sullivan, please? Seeing none, thank you very much. [LB519]

SENATOR SULLIVAN: Thank you. [LB519]

SENATOR KOLOWSKI: (See also Exhibits 5, 6) And with that, it ends our hearing today. Thank you very much for attending. Have a good week. [LB519]