

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

MURMAN: Welcome the Education Committee public hearing. My name is Dave Murman. I'm from Glenvil, Nebraska. I represent District 38, which is eight counties along the southern tier in the middle part of the state. I serve as Chair of this committee. The committee will take up the bills in the order posted outside of the hearing room. Our hearing today is your public part of the legislative process. This is your opportunity to express your position on the proposed legislation before us today. We do ask that you limit handouts. This is important to note: if you are unable to attend a public hearing and would like your position stated for the record, you must submit your position and any comments using the legislator's online database by 12 p.m. the day prior to the hearing. Letters emailed to a senator or staff member will not be part of the permanent record. You must use the online database in order to become part of the permanent record. To better facilitate today's hearing, I ask that you abide by the following procedures. Please turn off cell phones and other electronic devices. The order of testimony is introducer, proponents, opponents, neutral and closing remarks. If you will be testifying, please complete the green form and hand it to the clerk when you come up to testify. If you have any written materials that you would like distributed to the committee, please hand them to the page to distribute. We need 11 copies for all committee members and staff. If you need additional copies, please ask a page to make copies of-- make copies for you now. When you begin to testify, please state and spell your name for the record. Please be concise. It is my request that you limit your testimony, because of a large group here today, to three minutes. If necessary, we will use the light system: green for two minutes; one, you have one minute left; and red, wrap up your comments. If your remarks were reflected in previous testimony or if you would like your position to be known, but do not wish to testify, please sign the white form at the back of the room and it will be included in the official record. Please speak directly into the microphone so our transcribers are able to hear you-- your testimony clearly. I'd like to introduce my committee staff. To my immediate right is legal counsel, John Duggar. Also to my right, at the end of the table, is committee clerk, Kennedy. The committee members with us today will introduce themselves beginning at my far right.

SANDERS: Good morning. I'm Rita Sanders. I represent District 45, which is the Bellevue-Offutt community.

LINEHAN: Good morning. I'm Lou Ann Linehan. I represent District 39, which is Elkhorn and Waterloo in Douglas County.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

ALBRECHT: Hi, I'm Joni Albrecht, District 17: Wayne, Thurston, Dakota and a portion of Dixon County in northeast Nebraska.

WALZ: Good morning. My name is Lynne Walz. I represent Legislative District 15, which is all of Dodge County and now Valley.

BRIESE: Good morning. Tom Briese. I represent District 41.

CONRAD: Good morning. Danielle Conrad, District 46 in north Lincoln.

MURMAN: And I'll ask the pages to stand and introduce themselves and tell us what and where they are studying.

MORGAN BAIRD: My name is Morgan. I'm a senior at UNL. I'm studying political science.

RYAN SKINNER: My name is Ryan. I'm a freshman at UNL. I'm studying business administration.

CHRISSEY GULSETH: I'm Chrissy. I'm a junior at UNL and I'm studying political science and history.

MURMAN: Glad to have you here. Please remember that senators may come and go during our hearing, as they may have bills to introduce in other committees. Refrain from applause or other indication of support or opposition. For our audience, the microphones in the room are not for applicate-- amplification, but for recording purposes only. And with that, we will begin our hearing with LB585. Welcome, Senator Hughes.

HUGHES: I feel like I'm a little girl in a big chair. OK. Chairman Murman and members of the committee, I am here today to introduce LB585, a bill to provide our schools with greater flexibility in providing more comprehensive annual behavior and mental health training that focuses on suicide awareness and prevention. Suicide awareness and prevention training is very important part of the overall behavioral and mental health programs in our public schools. Under our current law, Nebraska educators, school administrators and staff are required to take an hour of training focused on suicide awareness and prevention. This is a good thing. We support this. However, the current interpretation of the law has the unintended consequence of forcing our educators to sit through essentially the same exact training year after year. As a former school board member of Seward Public Schools, I feel strongly that our educators deserve more credit for retaining this information and that a valuable opportunity is being lost to provide additional information regarding

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

behavioral and mental health, especially as it relates to suicide prevention in youth. LB585 simply provides our school districts the ability to provide our educators and staff with a more comprehensive training curriculum rather than repeating the same one-hour class year after year. As we've learned through an unfortunate number of tragedies involving our youth in recent years, the factors contributing to suicide are varied and multifaceted. The warning signs are equally complicated and diverse. We cannot expect our educators to rely upon a one-size-fits-all approach in confronting this difficult issue, especially during a one-hour, once-a-year session. Following me today, I have invited Senator-- former Senator Amanda McGill Johnson, who authored LB923 in 2014 and saw that important piece of legislation through the finish line, making suicide and awareness and prevention a part of the annual preparedness training for our state's public educators and administrators. The OG of this issue, former Senator McGill will speak on her bill, LB923, and give her thoughts on how LD-- LB585 reaffirms the original intent of that legislation. Thank you, Mr. Chairman, members of the committee. I am happy to answer any questions you might have at this time.

MURMAN: Thank you. Any questions for Senator Hughes at this time? If not, we will invite the first--

HUGHES: We'll get to the OG.

MURMAN: Yes.

AMANDA MCGILL JOHNSON: That's maybe the first time I've ever--

HUGHES: OG. Take it.

AMANDA MCGILL JOHNSON: Why not? Why not? Hi.

MURMAN: Good morning.

AMANDA MCGILL JOHNSON: Good morning. Yes, there's my sheet. I am Amanda McGill Johnson, A-m-a-n-d-a M-c-G-i-l-l J-o-h-n-s-o-n. I am representing myself, but as well as the Nebraska Association of School Boards. I also happened to serve on the Millard Public Schools Board of Education. So I have the reverse experience that Senator Hughes has. I was the legislator first and now I get to go and look at what I've done to school districts directly. And honestly, I get razzed a lot for passing this as a mandate on schools. I mean, they get the importance of the issue. But when school boards come and talk to you about the mandates and things that are put on schools, my, my

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

bill is on that list and I, and I take that kindly. I can take a razzing about it. But I stand firmly, you know, in support of, of this legislation that I passed in 2014 with the help of Senator Conrad and others. I mean, suicide and behavioral health issues in our students have only gotten worse. It is the second-leading cause of death for our youth. And so I take mental health and suicide prevention incredibly seriously and so I certainly would not want to weaken the legislation that we, we had passed. But being on a school board and seeing how a bill has been enacted, I mean, this is not the first bill that I've seen interpreted differently that I had anticipated. And some of you will have that experience once you're not senators anymore, where you pass something you're proud of and then you see it play out and you're like, well, it's not exactly what I intended or had hoped for. And, you know, what the reality on the ground is, is exactly what Senator Hughes said in that there were just a couple of trainings to choose from, some of which I've heard were really great, but then eventually became an offering that cost something. And so then they-- the district would pivot to one of the free offerings that maybe wasn't as strong of a training and you have people watching the same training over and over and over again. Not to mention, I think in my brain when I saw suicide prevention training, I thought it would include trainings on the things on this list. And so I think this is a good opportunity to come back in and make some really reasonable adjustments to better meet the needs of our schools. Questions?

MURMAN: Thank you, Ms. McGill. Any questions? Senator Albrecht.

ALBRECHT: Thank you. On page 3 in here, they, they actually say employees who interact with students.

AMANDA MCGILL JOHNSON: Yeah.

ALBRECHT: Employees. So before it listed nurses, teachers, counselors, school psychologists, administrators and school social workers so who else would be able to-- what is this bill--

AMANDA MCGILL JOHNSON: It actually-- I think that tweak, which in my mind is secondary, really just removes maybe a few folks who were required to take it, but they weren't interacting with kids. There are some district staff, especially in bigger districts, that really don't interact with kids directly, but were having to take this training under that old language that kind of listed everybody out.

ALBRECHT: OK, so employees who interact with students. Are-- would there be anyone else in the group that we took out that would actually come back in, like, outside sources, perhaps coming in or--

AMANDA MCGILL JOHNSON: I don't think so. I don't think that's the intention anyway. You could talk to Senator Hughes about that. I don't think the intention was to add anyone.

ALBRECHT: OK because I saw the bill kind of spells out more who you're trying to capture that should or shouldn't be in contact with these students. So thank you.

AMANDA MCGILL JOHNSON: Um-hum.

MURMAN: Thank you. Senator Briese.

BRIESE: Thank you, Chairman Murman. Thank you for your testimony here today.

AMANDA MCGILL JOHNSON: Yeah.

BRIESE: We currently mandate at least one hour.

AMANDA MCGILL JOHNSON: Yeah.

BRIESE: Do you know if school districts are exceeding that one hour--

AMANDA MCGILL JOHNSON: I don't--

BRIESE: --commonly?

AMANDA MCGILL JOHNSON: --believe so. There are a lot of things that have to be crammed in, like at the--

BRIESE: Yeah.

AMANDA MCGILL JOHNSON: --beginning of a school year, for teachers.

BRIESE: OK.

AMANDA MCGILL JOHNSON: And that's why, you know, I get razzed in that list of things and mandates. So I don't believe anybody is exceeding that. Now, some of the professional school counselors, you know, some of the folks who were on that list probably do exceed that in some way.

BRIESE: Is one hour enough a year?

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

AMANDA MCGILL JOHNSON: Yes, I would hope that some maybe get additional professional development, you know, of-- but I think mandating more than one hour, just especially under the confines of what is offered, would not be helpful. But honestly, I haven't really thought through that question.

BRIESE: Well, thank you.

AMANDA MCGILL JOHNSON: Um-hum.

MURMAN: Any other questions. If not, thank you very much.

AMANDA MCGILL JOHNSON: All right, thank you.

MURMAN: Any other proponents for LB585?

DEB RASMUSSEN: Hello.

MURMAN: Hello.

DEB RASMUSSEN: I'm one of those people that can answer the questions that you were asking. My name is Deb Rasmussen, D-e-b R-a-s-m-u-s-s-e-n. Thank you, Senator Murman and members of the committee, for this opportunity to speak with you today. I'm a proud Nebraska public school teacher and counselor with a 39-year-long career teaching and counseling in elementary and middle schools. I'm a member of the Nebraska State Education Association and the president of the Lincoln Education Association. I'm here to encourage you to, to support and advance LB585. I have all this written down, but after hearing your questions, I want to explain some of the some, some of the answers to things. One, when we're talking about this training, counselors and school psychologists and social workers, we have hours and hours and hours of training. The district provides us with this training. We do it in our schools together. We train people. But these videos that they have made us watch, I know they switched it up this year, but I was doing the same video for an hour for three years straight and I was so bored with it that sometimes I would give the wrong answer just to see what the computer program did because I knew what was going on. And I'm also very-- it hits hard today because we've had a completed suicide at East High today. There's been three of them at East High in Lincoln this year. I have had my brother and my father complete suicide so this is a hot topic for me and it is so much more than just suicide prevention. There are so many behavior and mental health issues and it's not always those things. You see the kid that's screaming and painting on their arms, those aren't the students that, that we're looking at. We're talking

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

about high-achieving students that are active in so many different areas that are pushing themselves too hard that we need training on so teachers can see that. They're always looking for the obvious person. That's not what it always is and that's why we need to expand this training. No, we can't do more than an hour, though, because as the president and a counselor and an educator, I've got family that teaches, they are so stretched. But they also feel so responsible for their students and they take it so personally if they haven't been able to help someone. So we need training because there are so many more issues just than that, oh, I'm sitting in your classroom and I've thrown something at a teacher, some of the scenarios that I've seen on the videos or-- we need to expand upon it. I loved the bill in 2012. I just think it needs to be modified to meet our needs today. It, it hurts me every time I hear that another student has completed suicide and they say there were no signs. Unfortunately, in my personal experience, there are always signs. I look back at hindsight to my family members and some students I've had, but we haven't always picked up on those signs. The gifted child that was in band and seemed to have everything going completes a suicide the day before school starts because they're so worried that they're not going to get good enough grades to get into the college that they wanted to go into. So that's why I'm a big proponent of this bill and I really, really, really recommend that this go out of committee, go on the floor and be passed.

MURMAN: Thank you, Ms. Rasmussen. Any questions?

DEB RASMUSSEN: It's good seeing you.

CONRAD: Good seeing you.

DEB RASMUSSEN: She's my representative in my district.

MURMAN: Thank you. Any other proponents? Good morning.

EDISON McDONALD: Good morning. Hello. My name is Edison McDonald, E-d-i-s-o-n M-c-D-o-n-a-l-d. I'm here representing the Arc of Nebraska and myself. The Arc of Nebraska is the state's largest membership organization representing people with intellectual and developmental disabilities. And we support LB585 to ensure we match the original intent of the authorizing language in LB923 in 2014. You may have noticed I said I rep-- I'm representing myself as well today. When this bill first came out, it was three months after my sister died of suicide. I came and I testified on that bill talking specifically about these problems because those problems have not

shifted very much since 2014. We continue to see so many barriers. We continue to see teachers who see opportunities, who see things that they should talk about. And I'll say, you know, that there were teachers that should have said things about what my sister had said about her artwork that could have helped save her life. So I think that really ensuring we have this bill passed to ensure that we're really looking at all of those factors, I think Senator McGill said it well. I don't think any of us who testified then thought that it would just be solely limited to suicide. We really thought that it was going to cover all of those surrounding pieces because that comprehensive approach to behavioral healthcare is so vital. And with that, I'll open to any questions.

MURMAN: Thank you, Mr. McDonald. Any questions for Mr. McDonald? Thank you very much.

EDISON McDONALD: Thanks.

MURMAN: Hello.

MARY KELLY: Hi, I'm Mary Kelly, M-a-r-y K-e-l-l-y, and I'm with the League of Women Voters of Nebraska and we support funding a mental and behavioral healthcare system that provides comprehensive and coordinated services for children and adults with mental and behavioral health disorders. The league also supports state and local policies and programs that provide the opportunity for persons with mental and behavioral health disorders to achieve optimal management of their illness. We specifically support early and appropriate diagnosis and treatment for children and adolescents that's family focused and community based. In 2018, according to the Nebraska Department of Health and Human Services, the suicide rate for children was 7.9 per 100,000. The suicide rate was higher for Native American youth and Asian youth. Nationally, rates of reported suicidal ideation and thoughts of self-harm have greatly increased, up 45 percent in 2021 compared to 2019. Rates of other mental illnesses have similarly increased in children following the first few years of the COVID-19 pandemic. In Nebraska, Children's Hospital and Medical Center reported month-to-month increases in positive screenings for depression in ranges of 5 to 15 percent. Boys Town National Research Hospital saw an increase of more than 50 percent of children reporting anxiety between 2020 and 2022. It's evident that even before the pandemic, children in Nebraska would benefit from more attention to mental health issues. Following the disruption of the pandemic, children are still struggling to adjust to in-person schooling and are having behavioral problems that may relate to

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

mental health issues. LB585 would aid children and families in Nebraska that are struggling with mental illness. Training each employee who interacts with students will increase the chance of identifying youth who are struggling and need outside support. Adding a provision for training on trauma-informed care will broaden the understanding of student sources of mental and behavioral problems. Procedures to provide information on services and supports for behavioral and mental health issues to families will make the safety program more effective. For all these reasons, the League of Women Voters of Nebraska supports LB585 and urges the Education Committee to advance it to the floor for debate. Thank you for your consideration.

MURMAN: Thank you, Ms. Kelly. Any questions for Ms. Kelly? Thank you. Good morning.

ANAHI SALAZAR: Good morning. Thank you, Chairperson Murman and members of the Education Committee. My name is Anahi Salazar, S--A-n-a-h-i S-a-l-a-z-a-r, and I am representing Voices for Children Nebraska. Over the course of the last few years, Nebraska schools have increasingly held a safe and significant space for students. School personnel have not only taught academics or provided resources for food and housing, but they have also expanded their roles to provide access to mental and behavioral health support. Voices for Children supports LB585 because it will help prepare all employees interacting with students with valuable and life-saving training regarding mental and behavioral health. We are facing a mental health crisis and promoting greater awareness and early identification of behavioral and mental health side-- signs can help determine how and when to provide students with the responsive care they need. When mental and behavioral health goes undiagnosed, untreated, or inadequately, inadequately treated, it can impact the student's ability to learn, grow and develop. It is estimated that one in ten Nebraska children have been diagnosed with a mental and behavioral health condition needing treatment. According to the estimates by the Nebraska Survey of Children's, Children's Health, anxiety, attention deficit disorder, attention deficit hyperactivity disorder and depression are the most covalent, prevalent disorders among Nebraska children and youth. With the proper training, school personnel can help children and young people stay in school, thrive and achieve their life goals. LB585 equips school personnel with training focusing on suicide awareness and prevention. This is especially important, as such trainings can help prevent tragic events. School personnel interact with students daily to help build rapport to students so students can feel safe and comfortable in school.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

Training and identifying early on mental health warning signs and symptoms can better inform school personnel on how and when to intervene. Equipping schools with trauma-informed care and support is another important component. As cases may arise, educators and other school personnel can structure a response that is best supportive to the student and their family. LB585 would ensure that all Nebraska school personnel have training to better support their students and their families when it comes to mental and behavioral health. And we thank Senator Hughes for bringing this important issue forward. We respectfully urge the committee to advance LB585 and I'm available for any questions.

MURMAN: Thank you, Ms. Hanzlar [SIC-- Salazar]. Any questions? Yes, Senator Conrad.

CONRAD: Hello. Thank you so much, Chairman Murman. Good to see you again, Ms. Salazar. I know before you joined Voices for Children, you were also a classroom teacher. I just wanted to ask you about your experience with some of these trainings, if you felt it was too prescriptive or redundant or how it fit in with some of the other professional development requirements we put on our, our frontline teachers.

ANAHÍ SALAZAR: Yes, that's a great question. I was a former educator in an elementary school setting and the trainings that are required were pretty prescriptive. There were video. You would answer questions. We were a pretty high-risk school so we had additional training as educators. Our school psychologists were really helpful in navigating these tough situations with students and families. Our social worker, our counselors were really supportive in that role. And I-- even in an elementary age, it was very evident that students really needed that additional support and families, families that had a lot of questions on how to, to better help their, their children. So schools are definitely a, a site for not only student intervention but also family support so-- and as early as elementary school age. So it's, it's definitely needed.

CONRAD: Very good. Thank you. And I should have asked Ms. Rasmussen while she was in the chair, but I can also follow up with her later because I-- yes, I know exactly where she lives. Not in a creepy way, but from a canvas-- from a canvassing, from a canvassing kind of, kind of way. And she's been a long-time member of my teacher team and representing those frontline concerns, so. But the other thing is so once you have the training about, like, how to identify the warning signs, so to speak, or the red flags that you might be seeing from a

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

vulnerable student, like, what, what does the training then kind of teach you to do? Is it to alert the mental health professionals in the building? Is it to reach out to families? Like, once you identify those initial warning signs, what does the training kind of direct you to do next to address it? I'm just unfamiliar with the--

ANAHÍ SALAZAR: Yeah.

CONRAD: --the process.

ANAHÍ SALAZAR: The training that is-- that we-- like, the hour training? I, I believe--

CONRAD: If you remember it. It may have been--

ANAHÍ SALAZAR: Yeah,

CONRAD: --awhile, so yes, right.

ANAHÍ SALAZAR: I believe the first thing that we always took into consideration was keeping the child safe or the student safe. So making sure they were-- we were in proximity of them, making sure they were safe within the-- within any school spaces they were going into. But in the training, it was just asking the, the closest person that had those-- that extra training, so the social worker, the school psychologist or the counselor, to come in and help in supporting the student. So that was the-- that was, like, the initial step is keeping the child safe and then alerting the other school personnel that could help-- that could better help with the interventions and the support.

CONRAD: Thank you.

MURMAN: Any other questions? Yes, Senator Linehan.

LINEHAN: Thank you, Chairman Murman. Thank you very much for being here. Appreciate it. You said you were at a high-risk school. Could you define that?

ANAHÍ SALAZAR: We-- well, I-- a school that had a lot of incidents with students that were experiencing mental and behavioral health challenges. So in my time there, there were-- there-- I constantly had to-- or not constantly, but would reach out to, to the school psychologist, the counselor and the social worker for additional support.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

LINEHAN: So there's not, like, a definition. It's just your experiences in life.

ANAHI SALAZAR: Yes.

LINEHAN: OK. Thank you very much. Appreciate that.

MURMAN: Any other questions? If not, thank you very much.

ANAHI SALAZAR: Thank you.

MURMAN: Salazar.

ANAHI SALAZAR: Yeah.

MURMAN: Sorry.

ANAHI SALAZAR: That's OK.

MURMAN: I didn't get your name right earlier.

ANAHI SALAZAR: That's OK. Thank you.

MURMAN: Good morning.

KYLE MCGOWAN: Good morning. Senator-- Chairperson Murman and members of the Education Committee, my name is Kyle McGowan, K-y-l-e M-c-G-o-w-a-n. Today I am representing the Nebraska Council of School Administrators, NRCSA, and the ESUCC, which is the Educational Service Units Coordinating Council. We would like to thank Senator Hughes. Her language in LB585 provides some efficiency and clarity as we strive for our number-one goal of keeping students safe. Behavioral and mental health training for educators is very important. We see all the students. Our, our, our teachers, our administrators, our staff certainly have the opportunity to help and try to get students additional help. This bill allows some flexibility in finding the appropriate training for the different employees that are in the school. We like the local control part of it and we think it will help make students safer. Thank you.

MURMAN: Thank you, Mr. McGowan. Any questions? Thank you very much. Any other proponents for LB585?

ROSE GODINEZ: Hi, Good morning. My--

MURMAN: Good morning.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

ROSE GODINEZ: --name is Rose Godinez. It's spelled R-o-s-e G-o-d-i-n-e-z and I'm here to testify on behalf of the ACLU of Nebraska in favor of LB585. First, we'd like to thank Senator Hughes for introducing this bill. At the ACLU, we support equal access to educational opportunities for people with disabilities and continue to challenge the school-to-prison pipeline, which continues to disproportionately affect students with disabilities. LB585 expands the current requirement of behavioral and mental health training to include all public school employees. We wholeheartedly support this measure, as it reflects the Legislature's intent to invest in supportive resources to establish a holistic response to student behavior needs rather than one of punishment. Generally, the state and the schools need to invest more in these measures and invest more in counselors, social workers and psychologists. In 2019-- and I know I've said this before, before this committee, but I'll just reiterate-- we published a report on the lack of counselors across the country called, "Cops and No Counselors: How the Lack of School Mental Health Staff is Harming Students." Our organization also studied Nebraska and in Nebraska, approximately 4,212 or 1.3 percent of our students are attending a school with a police officer but no counselor. We are also not meeting the recommended ratio of students to social workers or to psychologists. The recommended ratio for students to counselors is 250 students to one counselor. We have 347 students to one counselor. The recommended ratio for social workers is 250 to one social worker. We have 3,350 students to one social worker. The recommended ratio for a psychologist is 700 to one and we have 1,164 to one. Additionally, I just wanted to touch on a case. We filed a suit against a public school staff member. And I know there were questions of whether school members-- school staff are taking this kind of training. In that case, our clients allege that the school staff member punched our client and throughout discovery, we discovered that there was no de-escalation training required or taken. With that, we not only urge the Legislature to support Nebraska public school staff in participating in behavioral and mental health training by advancing this bill, but also further invest in school grounds mental health services. And for those reasons, we urge you to advance this bill to General File. Thank you.

MURMAN: Thank you. Would you mind spelling your last name?

ROSE GODINEZ: Oh, yeah. G-o-d-i-n-e-z.

MURMAN: I-n-d-e?

ROSE GODINEZ: I-n-e-z.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

MURMAN: E-e--

ROSE GODINEZ: G-o-d, like God, i-n as in Nancy, e-z as in zebra.

MURMAN: OK.

ROSE GODINEZ: Yeah.

MURMAN: Any questions for Ms--. Ms. Godins--

CONRAD: Godinez.

ROSE GODINEZ: Godinez.

CONRAD: Thanks.

MURMAN: Yep, Senator Conrad.

CONRAD: Thank you, Senator Murman. Thank you. Good to see you, Rose.

ROSE GODINEZ: Good to see you.

CONRAD: I really appreciate you broadening the lens and helping to connect the dots with this important measure and some of the other policy proposals before this committee and the Legislature as a whole when it comes to addressing our mental health crises. And, you know, that's a part of what my thought process was when Senator Hughes was doing her opening. And I remember when Senator McGill brought this measure forward. You know, I don't know if you know off the top of your head-- and if not, we can look it up or I can Google around and see if I can find it. But I remember when this measure was first brought forward, at that point, Nebraska was at the top of one of those lists you don't want to be at the top of. Where we were, I think, perhaps leading the country for-- as a, a leading cause of death for young people dying by suicide for certain age brackets, number one. I think in other age brackets in the early teens, number two in the country. And I think that was, along with some other, you know, high-profile incidents, kind of the impetus for that initial work that now Senator Hughes is trying to build upon and expand and amend. Do you happen to know generally where Nebraska is kind of in terms of those rankings? And if not, I can follow up afterwards or see if we can find that.

ROSE GODINEZ: I do not, but I can find that for you and the committee.

CONRAD: OK.

ROSE GODINEZ: And the-- I-- the only thing I would highlight is that mental health in general across the country is worsening. I don't have the exact--

CONRAD: Sure.

ROSE GODINEZ: --measure of where Nebraska lies. But for students generally, it is just because of cyberbullying and bullying generally in school as far as what I've researched. But I will get that measure--

CONRAD: Yes--

ROSE GODINEZ: --to--

CONRAD: --that's, that's very helpful. I've also read a fair amount of research about how the isolation during the pandemic and some of those social dynamics have also really, I think, really negatively impacted young people's mental health and all of our mental health kind of collectively as well. So there's kind of those lingering effects that, that we need to deal with as well. And then, you know, just the last piece in trying to make sure that we really do connect the dots, right? And thinking about, like, you know, the Governor's budget proposal has essentially, like, flat rates for our mental health providers. And we're already seeing, you know, a lack of access to mental health providers, especially in rural Nebraska. And, like, trying to figure out-- like, this is an important piece of the puzzle, but we can't take our eye off of kind of the broader network of policy choices to address this severe mental health crisis. So I thank you for helping us to, to broaden the lens. And if you have any updated stats on, on where Nebraska is today-- I'll, I'll keep looking too, but I figured that you might, that you might have that.

ROSE GODINEZ: Yeah.

CONRAD: Thank you. Thank you so much.

ROSE GODINEZ: Thank you.

MURMAN: Any other questions for Rose? If not, thank you very much.

ROSE GODINEZ: Thank you.

MURMAN: Any other proponents?

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

BRANDON BENSON: Hi there. I am Brandon Benson, B-r-a-n-d-o-n B-e-n-s-o-n. Some of you know me. I work for a senator here. I am here on my own behalf. I had no intention of speaking on this, but as someone that was undiagnosed bipolar until age 38, any time we can talk about these issues, I've always made the point that I would. From about age 15, that was probably when I had the onset of that. And for all those years, nearly every other day, I would wake up. The first thought I'd start my day would be today's the day to die. I don't know how I made it, but I have. I'm here. And I, I think about resources that we can give our youth and how many more people that need to be in positions that, you know, that I am in today. Well, that'd be great. Same time that we can talk about flexibility and resources and getting those to our youth, I think that's a great, great thing. You'll all figure this out. I'm confident that you will and figure out a great solution to go forward in all these matters that pertain to, you know, youth. And mental health is something that's really on my heart and just wanted to share that with you all so thank you.

MURMAN: Yes. Any questions?

CONRAD: Thank you. I just--

MURMAN: Yes, Senator Conrad.

CONRAD: Thank you, Senator Murman. I, I just wanted to thank you for sharing your personal lived experiences. I think it's very brave and I think it's very important to, you know, removing some of the stigma around mental health and making sure that we, you know, are, are really clear and full-throated in addressing these multifaceted crises. And it's kind of-- you know, for me, I think it, it's always helpful to have both; the data points and the rankings--

BRANDON BENSON: Absolutely.

CONRAD: --and all of that information, but also kind of marry that to the personal experience and understanding kind of how that really impacts people's daily lives. And I think your testimony today really helped to kind of round out the picture for the committee, which, which we really, really appreciate. And, and I'm sure it, it just take-- took a lot of courage to come up and share that and I just wanted to thank you.

BRANDON BENSON: Things like these are difficult for me.

CONRAD: Yeah, they are.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

BRANDON BENSON: So I, I appreciate that.

CONRAD: I appreciate that.

BRANDON BENSON: Thank you so much.

CONRAD: And we're glad you're here.

MURMAN: Just a second. Any other questions? I have one. You know, we--

BRANDON BENSON: You got me here. Let's go, Senator.

CONRAD: All right.

MURMAN: And I want to thank you also for your bravery coming in and testifying. We need more training in the schools--

BRANDON BENSON: Sure.

MURMAN: --for mental health. I think we probably all agree with that. Any specific ideas on-- you know, we're talking about, you know, broad-based training for, I think, all school employees. Any ideas on how that can be improved?

BRANDON BENSON: Yeah, that's a great question. You know, it-- you know, I graduated high school in 1997 and so we've made progress. You know, things back then were so different than, than what they are today, just with awareness, so. I mean, back then, you know, my, my thought in my head was just that everybody must deal with this. Everybody must go through this. Everyone else just must be better at life than I am. So I think we've made lots of leaps in, in these, you know, 20, 30 years now that-- you know, where we weren't talking about it then. And so I think that sets us up for, you know, what you're talking about. Getting into specifics, I, I don't know. That's a great question of what, what specifically we, we could do. But I, I-- you know, I'm sure all these experts have, have better ideas on what we can do.

MURMAN: Well, I think actually you're a real expert. You lived through it, so.

BRANDON BENSON: All right.

MURMAN: So appreciate that, but appreciate you coming in.

BRANDON BENSON: All right.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

MURMAN: Any other questions? Thank you very much.

BRANDON BENSON: Have a great day.

CONRAD: Thank you so much.

MURMAN: Any other proponents? Any opponents for LB585? Anyone wish to testify in a neutral position? If not, Senator Hughes, you're welcome to close.

HUGHES: Kind of an emotional topic. Thank you, Mr. Chairman, members of the committee. I want to especially thank, thank Senator McGill Johnson, making suicide awareness and prevention training a focus for our educators, administrators and school staff. And I also want to thank her for her excellent testimony regarding LB585. A couple of questions that I heard that I just want to address as well. The required training is a minimum of one hour. Senator Briese, you had asked that. So a school could definitely do more if they saw necessary and I think we had a prior educator that kind of attested to that fact. So our schools are the frontline, right? They are seeing these students every day. They see the issues that they're dealing with. I can't imagine East, what they're going through with-- this is the third this year. So they're hopefully kind of seeing what those things are and can help address their training appropriately. To Senator Albrecht's question of-- she questioned the list of people. The list originally was very specific and could leave someone out and so we decided to make it, you know, people that have-- that work with students. And then the key is as determined by the superintendent. So the superintendent can say, you know, this person would need that training where maybe this person wouldn't. I think sometimes when you have lists, then it almost becomes, well, I'm not on that list so I don't need to take it. Well, maybe I'm hired by the school as a security guard and maybe that's the front line, those that are seeing the kids first when they walk in the door and maybe they need that. So this just gives it back to the school to decide what's going to be best for our students. So LB585 clarifies the intent of Senator McGill Johnson's original legislation and ensures that the staff that interact with the students will receive this training. LB585 also positions our schools to better provide a greater scope, scope of training, covering a broader spectrum of behavioral and mental health that contribute to, contribute to the suicide in our youth. Suicide awareness and prevention is clearly a critical issue and I urge the Education Committee to report LB585 favorably to the General File so that this critical training can

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

continue in an improved and more effective way. Thank you, guys, so much for your time this morning.

MURMAN: Thank you, Senator Hughes. Any questions? Senator Linehan.

LINEHAN: Thank you, Chairman Murman. So I-- this is all wonderful. Greater scope. Who provides the training materials? Is that just up to the schools or--

HUGHES: So right now, it has to be approved-- and I, I can follow up with this just to make sure, but through the Board of Education.

LINEHAN: The state board.

HUGHES: Right.

LINEHAN: OK, so there'd be, there'd be somebody kind of guiding the professionals--

HUGHES: Yes, that would say these are kind of the parameters--

LINEHAN: OK.

HUGHES: --but it will just expand those parameters.

LINEHAN: OK.

HUGHES: So right now, it's very limited on what--

LINEHAN: OK.

HUGHES: --the choices are.

LINEHAN: OK, but every school wouldn't be able to go out and create their own program.

HUGHES: No, that--

LINEHAN: OK.

HUGHES: We don't-- no, no, no. That would, that would be a really big unfunded mandate, Senator Linehan, and we don't want to go there, so.

LINEHAN: All right, thank you very much. I appreciate it.

HUGHES: Yes.

MURMAN: Did you have a question?

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

SANDERS: Yes.

MURMAN: Senator Sanders.

SANDERS: Thank you, Senator Murman. Senator Hughes, thank you for bringing this bill forward. It's a great discussion to have--

HUGHES: Yeah

SANDERS: --and it's important and emotional. I did not see a fiscal note. Is there a change in the fiscal note or any idea?

HUGHES: We don't have one, but I am going to call the newbie card on this.

SANDERS: Not your--

HUGHES: I don't know if there is one. Let me check, but I--

LINEHAN: There is one.

HUGHES: Was that on [INAUDIBLE]? I don't know.

SANDERS: Thank you. If you have information--

HUGHES: Sorry.

SANDERS: It's OK.

HUGHES: Me and my LA are new this year, so.

SANDERS: Thank you.

HUGHES: I don't think it will, but--

SANDERS: Thank you again for bringing this bill forward.

MURMAN: Senator Conrad.

CONRAD: Thank you so much, Chair Murman, and also welcome to the Education Committee.

HUGHES: Yeah.

CONRAD: It's good to see you, Senator Hughes.

HUGHES: Good to be here.

CONRAD: I, I think that you've brought forward a really important measure and I'm, you know, always trying to connect the dots with other aspects of our work that are out there. I know Senator Fredrickson is working with Senator Brewer on providing, like, a suicide prevention pamphlet at point of sale for gun purchases. It's kind of like another touchpoint to get information into the hands of people who might really need it as kind of another, like, smaller piece of the puzzle there. But I, I do really want to think through-- and I know you probably addressed some of these issues during your tenure on the Seward School Board and otherwise, but we know, for example, that bullying, bullying and things of that nature really hurt our LGBTQ youth across the state and, and in our schools. And we see a higher incidence of suicide-- suicidal ideation and suicide for LGBTQ youth across the state and in our school districts. And so while I think it's really important that we destigmatize mental health and provide training and resources, I think we also have to be really careful as a Legislature when we pursue policies that target LGBTQ youth and hurt their mental health, when we use the power and prestige of our offices to exacerbate a problem. So I don't know if you've thought about this measure in context with, you know, providing any sort of additional information or training for some of the youth that are most vulnerable. But just wanted to give you a chance to respond to that and I'm sorry I texted you before. I didn't give you-- I, I normally like to try and give people a heads up on it, but it was just something that came up as we were thinking and I'm sorry we didn't have a chance to have a pre-conversation about it, but just if you have some ideas, if not, we can continue the conversation later and, and through the session.

HUGHES: Well, and I, and I think to your point, that also is why-- what's kind of nice about this is you are leaving it-- you know, I'm a full believer in local control. And so if you have a school that is seeing specific accounts, bullying, whatnot happening, then that year's training can be targeted to that. And so I-- and I think that's why I just that one-size-fits-all shoe doesn't work because I always-- and I've used this example when I was on the campaign trail, right? What, what is good for OPS maybe is not good for Cross County Public Schools. Each one has to see what is going on in that building, in that system and, and address it appropriately. And I feel like this just gives a little bit more, more to those administrators in those situations to pick and choose what, what will work for their population.

CONRAD: Right.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

HUGHES: Because definitely what's happening in one area may be very different than the other. Fiscal note is zero cost.

CONRAD: All right.

HUGHES: See, look at that.

CONRAD: That helpful question got you a chance to, to clarify the record. Appreciate that.

HUGHES: Thanks for some of the time, Senator Conrad.

CONRAD: No, I appreciate that. Thank you, Senator Hughes.

HUGHES: Yes. Absolutely.

MURMAN: Any other questions for Senator Hughes? If not, thank you very much.

HUGHES: All right. Awesome. Thank you, guys. Appreciate it.

CONRAD: Thank you. Good to see you.

MURMAN: So that will close a hearing on LB585 and we will open the hearing for LB520. Yes, go ahead, Senator Walz.

WALZ: OK. Good morning, Chairman Murman and fellow members of the Education Committee. My name is Lynne Walz, L-y-n-n-e W-a-l-z, and I represent District 15, which is made up of Dodge County and Valley. Today I'm introducing LB520, which amends the Computer Science and Technology Education Act that was established in LB1112 last year. LB1112 was introduced last session as a way to address the tech talent workforce crisis. This bill was to afford public school students the opportunity to excess-- access and learn critical computer science and digital literacy fundamentals during early and secondary education. I fully support the idea of this bill ensuring that our public school students are prepared for what the future holds. However, as many of you know who sat on this committee last year and you might remember, I did have some reservations about how schools would be able to comply in the time frame given. This concern was mainly rooted in the fact that schools may not have enough time to hire and train staff and inadvertently affect Nebraska students from graduating. The bill is-- this bill is to address those concerns and I have been working with the school-- with schools across the state to get this bill to where it is today. Last year, 11-- LB1112 established that this graduation requirement would begin in the

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

school year 2026-2027. LB520 moves the graduation timeframe to 2027-2028 school year. LB1112 last year also required that the State Board of Education shall adopt measurable academic content standards for computer science and technology education under the mathematics, mathematics, science or career in technical education standards. However, it did not give a deadline so this bill states that it needs to be done on or before March 1, 2024. Additionally, this bill changes the requirement that this be a one five-credit-hour high school course. The change broadens the definition that the five credit hours may be met by a single course or a combination of high school courses that cover the computer science and technology academic content standards. For example, at Bellevue Public Schools, there are several classes that would fall under the original act: AP Computer Science, Introduction to Computer Science, or CISCO A-plus PC hardware class that deals with networking, cybersecurity and customer service. However, none of those classes currently fall under the act. Students with different abilities should be able to take classes that match their needs. Finally, this just moves the annual status-- state status report from 2025 to 2026. Currently, schools-- currently, our schools are already having a hard time hiring staff. While this is an important step to ensuring our students are prepared for the future, we also have to ensure that this is feasible and that it is accessible across the state. Every school district is diverse, with an array of different needs. Extending this deadline and the course requirement gives our schools more time to ensure that it can be carried out effectively. I'd like to thank the Department of Education for their help in crafting the legislation, as well as the business community for their input and support. LB1112 sets an important goal for our state. LB520 makes that goal more achievable, achievable for our students and our teachers. I would be happy to answer any questions.

MURMAN: Any questions for Senator Walz? Senator Linehan.

LINEHAN: Thank you, Senator Murman. Thank you, Senator Walz, for bringing this bill. On, on the-- page 4 in line 9 and 10, is there a reason that we strike-- or the bill strikes, "that is tailored to meet the need of each participating student?"

WALZ: Page 4 what?

LINEHAN: I'm sorry. It starts on line 9 and line 10. It strikes, "that is tailored to meet the need of each participating student." Is there a reason that's struck?

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

WALZ: I, I don't know for sure, Senator Linehan. Let me find out.

LINEHAN: OK. All right, thank you very much.

MURMAN: Any other questions at this time? If not, thank you very much.

WALZ: Thank you.

MURMAN: Any proponents for LB520?

MIKE CASSLING: Good morning, Chairman Murman and, and members of the Education Committee. My name is Mike Cassling, M-i-k-e C-a-s-s-l-i-n-g, and I'm here to testify in support of LB512-- or LB520. As a background, I'm CEO of CQuence Health Group, a health tech company founded in 1984 based in Omaha. I'm also a governor of Aksarben, which is a statewide business-led organization that really is focused on how do we fix the workforce crisis that we face today and into the future? Last year, Senators McKinney and Slama introduced LB1112 on behalf of the Nebraska Tech Collaborative, Omaha Chamber, Lincoln Chamber, State Chamber and business across the state. This legislation, as, as Senator Walz said, created the Computer Science and Education Act to help drive tech talent's workforce in preparing kids, our kids, K-12 for the future of the 21st century workforce. This is a key piece of what we need and thank you for those on the Education Committee and the 31 other senators that voted in support of this LB1112. As I think you all know, we have a workforce crisis in this state. As of December 2022, we have 15,000 openings with only 5,000 people looking that are unemployed. These are across the board, not just technology, but technology jobs of the highest paying, most desirable and go unfilled or are advertised in other states and leave our, our state. I believe-- and so does the business community-- every student in every school across the state should be exposed to computer science and technology classes and made aware of the diverse employment opportunities it creates. Technology education is as important as reading, writing and mathematics. This is-- these, these jobs are in every industry across the state, whether it's manufacturing as they go to robotics, agriculture, as it goes to ag tech, finance, insurance and healthcare. These jobs are also based in every sector across the state, from Omaha to Lincoln, Grand Island, Broken Bow, Chadron, Norfolk and so forth. The, the business community feels this is absolutely critical. We see in the next five years that there's going to be 10,000 open jobs in the tech sector. The problem is, if we do not fix this problem today and start dealing with this, businesses

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

are going to continue to open offices in other states or leave the state altogether. This bill was based off the success in Arkansas, where they went from 1,100 kids to 1,300 kids in computer science, 294 women to 3,900 women in this space, 600 people of color to 5,200 people of color. So we know this can be a success. We did create and we've worked ever since as a partnership with the Department of Education, Senator Walz, to, to ensure that we're partnering with-- the business community is partnering with them to make sure this is a success. One thing COVID taught us is we can connect with anybody across the state and this bill gives us a lot of flexibility in order to allow the, the students and the schools, whether it's in-person, hybrid or online, to create this programming. I'm going to-- up next will be the new executive director of Nebraska Tech Lab, LaShonna Dorsey, who is a resource to you as a committee, Department of Education, as well as the schools across the state. Thank you--

MURMAN: Thank you.

MIKE CASSLING: --for your consideration.

MURMAN: Thank you, Mr. Cassling. Any questions? Senator Linehan.

LINEHAN: Thank you, Chairman Murman. Thank you very much, Mr. Cassling, for being here today and bringing this proponent-- as a proponent. Can you re-go over these bullets again that you talked about from Governor Hutchinson in Arkansas?

MIKE CASSLING: Yep, sure.

LINEHAN: Just read them again because I think you've read one wrong. So for the--

MIKE CASSLING: I did? Whoops. OK, sorry about that.

LINEHAN: That's OK

MIKE CASSLING: I saw my lights turning over, so I was getting nervous there.

LINEHAN: I know so-- I just-- so we got it on the record because it's very--

MIKE CASSLING: So we had-- they started out with 1,100 kids in computer science and that moved to 13,000 kids; 294 women moved to 3,900 women in the space of computer science; 600 people of color to

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

5,200 people of color in this space; and 20 computer science teachers to over 600. So the bill is a huge success.

LINEHAN: Do you know how they managed to go from 20 computer science teachers to over 600? Did they have to go back and did they furnish them money to get a--

MIKE CASSLING: There was, there was money for that segment involved in Arkansas, yes.

LINEHAN: OK, is this--

MIKE CASSLING: But, but what we've tried to do here is give flexibility to not just have stu-- or teachers in the schools across the state, but be able to use the community colleges, the universities who are all standing by in the business community to support those teachers with that-- with the support so they can be there. But you'd have the expertise from the business community of the universities and, and community colleges.

LINEHAN: Excellent. Thank you very much. Appreciate it.

MURMAN: Any other questions for Mr. Cassling? If not, thank you very much.

MIKE CASSLING: Thank you.

STEPHANIE HOWELL: I'm back. Good morning, Senators. My name is Stephanie Howell, S-t-e-p-h-a-n-i-e H-o-w-e-l-l, and I'm here today to speak in support of LB520. Thank you for this opportunity this morning. I've been an educator in Nebraska for 16 years. During my tenure as a high school teacher, I've seen graduation requirements expand. However, up until recently, there have not been any requirements for financial literacy education, along with computer science technology education for our graduating high school students. As a teacher, I've had numerous conversations with graduating seniors over the years about finances and planning for their future. What has stuck with me through all these years is how ill prepared these young adults are for the financial decisions they will have to make as they venture into the world after high school. We have a responsibility to fully educate and prepare our young people about the realities of the world they will be entering and this includes financial literacy. Being financially literate will also create more informed voters, as many of the civic decisions voters make revolve around the financial effect that policies will have. Financial literacy helps empower students to create personal wealth, which in turn will have an impact

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

on future generations. As for computer science and technology education, many of the high-demand jobs in today's world have been created in the last decade. And as the advances in technology drive globalization and digital transformation, teachers can help students acquire the necessary skills to succeed in the careers of the future. The goal of computer science education is to develop computational thinking skills, which refer to the thought processes involved in expressing solutions as computational steps or algorithms that can be carried out by a computer. And that was according to K-12 Computer Science Framework Steering Committee in 2016. Computer science education is also distinct from computer or digital literacy in that it is more concerned with computer design than with computer use. For example, coding as a skill one would learn in computer science course while creating a document or slideshow presentation using an existing program is a skill one would learn in a computer or digital literacy course. Computer science technology education is vital for students living in the 21st century. A functional knowledge of how computers work will help all students. As a teacher at the Career Academy in Lincoln, I get to see students in our programming and networking pathways do some amazing things. In fact, just this last week, I was able to sit in on senior capstone project presentations and the ideas that were coming from these students was astounding. I can tell you our future is bright and if we focus on including a computer science and technology graduation requirement, we will have students who will be changemakers for the world. In fact, it was a career academy IT student who helped develop the MyLNK app many years ago that is still in use by many today. Career Academy students are not required to have computer science technology experience, but can you only imagine what students would be able to do if they were? Please advance LB520. Thank you for your time and I am happy to answer any questions you may have.

MURMAN: Thank you. Ms. Howell. Any questions? If not, thank you very much.

STEPHANIE HOWELL: Thank you.

MURMAN: Any other proponents? Good morning.

LaSHONNA DORSEY: Good morning, yes. Good morning, Chairman Murman, members of the Education Committee. My name is LaShonna Dorsey. That's spelled L-a-S-h-o-n-n-a D-o-r-s-e-y and I'm here to speak in support of LB520. As Mike Cassling stated-- and I'd like to reiterate thank you to Senator, Senator McKinney, along with Senator Slama, for originally supporting LB1112, along with 31 senators who voted in

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

favor of this legislation last session. And thank you to all the senators on this committee for your service to the state as well as your time today. I am the current-- I'm currently the executive director of the Nebraska Tech Collaborative and Aksarben Workforce Initiative. For the past 20 years, I've worked in a variety of tech and tech-adjacent roles, including an entry-level job on a helpdesk as an intern through experience roles including an IT project manager, technical resource manager, cofounder of a startup focused on helping adults transition into tech careers that was based in Nebraska as well. As an enabler, tech careers present three of the biggest opportunities before us: including raising the average annual salaries of individuals in our state, which will lead to greater economic prosperity for Nebraska families and the communities they live in; increasing diverse representation throughout this-- throughout the state in tech; and also creating a workforce that is prepared for the future and who then stay here to work for and/or build new companies. One of the goals of the Nebraska Tech Collaborative is to work with businesses, educators and other workforce partners to help the state fill 10,000 tech jobs by 2025. Based on the low number of students currently enrolled in computer science and related degree programs and graduating from those programs and then deciding to stay in the state, we are not filling the talent pipeline quickly enough. If we want to keep talent in Nebraska and help Nebraska-based companies to fill the high-demand, high-skilled and high-paid, or H3 jobs, computer science education must be a part of the essential skills taught to students as soon as possible in their academic careers. As of 2021 and according to data from the U.S. Bureau of Labor Statistics, the average annual salary for all jobs in the state of Nebraska is \$54,000. Average salary for retail jobs is \$37,000 and average salary pay-- I'm sorry, the average pay for tech jobs was approximately \$80,000, which represents a huge opportunity. Please note that all tech jobs are-- I'm sorry, tech jobs are in all industries, including agriculture, insurance, finance, healthcare, and many employers in these spaces are right in our state. Finally, with advancements in diversity, equity and inclusion and Nebraska being important to all of us, along with the low rate of diverse tech talent currently in tech jobs, we're at approximately 22 percent Asian, 12 percent Hispanic, and 5 percent black across the entire country. There's an incredible opportunity for us to work together to increase diversity in tech work-- in the tech workforce, starting with K-12. Again, this will improve outcomes for families throughout our state. We will not see the fruits of these efforts right away, but it's a critical, critical investment as companies continue to struggle to recruit and retain diverse tech

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

talent from outside of the state to move to Nebraska. Thank you again for the opportunity to speak today and I'm happy to answer any questions.

MURMAN: Any questions for Ms. Dorsey? If not, thank you very much.

LaSHONNA DORSEY: Thank you.

JASON BUCKINGHAM: Good morning.

MURMAN: Good morning.

JASON BUCKINGHAM: Good morning, Chairperson Murman and members of the Education Committee. My name is Jason Buckingham, J-a-s-o-n B-u-c-k-i-n-g-h-a-m. I'm assistant superintendent for the Ralston Public Schools. I testify today on behalf of the Ralston Public Schools and I appreciate the opportunity to appear before you to speak in support of LB520. First, we graciously-- greatly appreciate Senator Walz and her submission of LB520. This bill provides much-needed clarification for 79-3304, the computer science and technology education statute. LB520 as written allows the local school district to have discretion in how it chooses to incorporate the concepts listed in 79-3304 into existing curriculum. As is currently interpreted, 79-3304 requires a school district to add a separate standalone class to teach computer science and technology. The course must become a requirement for graduation for every, every public school student in the state. We do not oppose teaching-- the teaching of computer science or technology, far from it. In practice, we currently have most of the components required in 79-3304 taught in existing coursework. For example, we incorporate the standard of computer literacy into several of our existing courses at the elementary, middle and high school level. We also have embedded digital, digital citizenship in several places in our curriculum. One of the many concerns we have relates to the change in graduation requirements. Currently, we require 240 credits to graduate. Out of those 240, 180 or required classes such as English, math, science and social studies. The remaining elective credits we view as an opportunity for students to explore different interests and aptitudes they may have. Adding the computer technology skills class as a separate standalone graduation requirement further erodes the ability of our students to take the courses they desire. This may impact their ability to either concentrate their studies in areas of career training or it may take away their ability to take another course as an exploratory. Either way, restricting the choice of students to take a course based on information they may have already received in

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

other coursework is restrictive and counterproductive. The benefit of LB520 is that it allows school districts to assess if they need a separate class or if they are already meeting the standards in existing coursework. Another significant issue is the availability of educators to teach the class. The Nebraska Department of Education requires teachers be endorsed in either business, marketing, information technology or math to be licensed to teach this class. I can tell you from experience that shortages of teachers exist in all these endorsement areas. The teachers we have with these endorsements are currently teaching at full capacity and have no room in their schedule to add this class as a requirement. With shortages existing already, it doesn't take much of an imagination to see that the requirements of 79-3304 have a devastating effect on the ability of school districts to hire anyone in these endorsement areas. In a district of 3,500 like mine, we would need to hire at least 0.7 FTE person to teach the class. This also requires an additional financial commitment for the district to pay additional staff or it would require our district to offer less elective courses in order to meet this new requirement. As a supplement, on the last page you have on there, this is directly from the study that NDE did on the shortage of teachers. This is from the '22-23 year. So if you look specifically down on the second line, BMIT, that's business marketing, info technology. Take that across, you can see that statewide, we had 21.25 FTE unfilled. If you go down to math, the other endorsement area, you can see that we had a total statewide of 46.93 FTE unfilled. So I know I'm out of time here, but I did want to explain the data that I included in this testimony.

MURMAN: Thank you. Any questions for Mr. Buckingham? Senator Linehan.

LINEHAN: Thank you, Chairman Murman. So-- well, there's still-- so you can do it in different courses. It's embedded in different courses, but how will we know that it's really happening?

JASON BUCKINGHAM: I think the state still is going to gather information on those requirements. We'll still have standards that we'll have to teach.

LINEHAN: OK. So there's still going to be--

JASON BUCKINGHAM: We'll, we'll still be accountable for teaching those standards.

LINEHAN: OK. OK because the Department of Ed will require you turn in--

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

JASON BUCKINGHAM: And they've already developed those standards. Their interpretation, as it's written now, is it has to be either a step-- separate standalone class or it has to be a class that we offer as, as one that they could take online.

LINEHAN: So you're thinking this bill will enable them to rewrite it to include--

JASON BUCKINGHAM: That, that would allow us to embed it in the courses we're already teaching in our school. Now, this does not, does not prevent other districts from making it a separate standalone graduation requirement and a separate class. They certainly could do that too. In our model, at least in our school, we already embed a lot of this in existing coursework.

LINEHAN: So the-- are the teachers that are doing the existing coursework? Do they have the certificates they need?

JASON BUCKINGHAM: Most of them do not.

LINEHAN: OK. All right, thank you very much.

JASON BUCKINGHAM: But I, I-- just to follow up on that, just-- I don't know that you'd have to have math or info technology endorsement to teach digital, digital citizenship as an example. I don't know that that one would be specific to those endorsements.

LINEHAN: OK. All right, thank you.

MURMAN: Senator Conrad.

CONRAD: Thank you, Chair Murman. Thank you, Mr. Buckingham.

JASON BUCKINGHAM: Good morning.

CONRAD: Good morning. Just wanted to make sure I have an understanding of this because I wasn't closely involved with Senator Slama and Senator McKinney's legislation when it moved through in the previous biennium. I kind of remember hearing some of the debate or reading some of the news stories about it. So what I'm trying to understand-- and maybe we can follow up with Senator Walz as well. I mean, it's-- it happens frequently, for example, if the Legislature passes something that maybe we need to come back and address unintended consequences or provide a longer runway for implementation. It seems to me that's kind of at the heart of LB520 is maybe just a little bit of cleanup and maybe extending some of the

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

hard deadlines that were in the original legislation. Is that, is that too--

JASON BUCKINGHAM: We, we'd certainly---

CONRAD: Is that an oversimplification?

JASON BUCKINGHAM: We, we'd certainly be in support of that too. I mean, if NDE comes out and they have requirements that we have to teach this course to graduate, we're going to figure it out--

CONRAD: Right.

JASON BUCKINGHAM: --on our end of it. What it may end up being-- and I, I don't know if I was specific enough in this-- if I have a shortage of teachers and I only have so many that have the endorsement to teach this class, they're already teaching other courses. We're going to roll back on some of those electives we may teach that are already in infotech or may already be in a personal finance class or maybe in accounting or maybe in some of those other areas in order to free up space to teach a requirement. So that's, that's a concern that we have too, that we may limit the options of kids to be able to explore some of those other areas. Math is even harder. If I had to pull a math teacher out to teach this course that's required, I don't want to take my class sizes from 28 up to 35 in order to meet that requirement.

CONRAD: Sure. OK. Yeah, I-- that is helpful because I'm just trying to kind of balance between yes, we want to make sure that implementation goes smoothly and that people have the, the opportunity to be in compliance with a long enough runway, but I also-- like on the other hand, I did want to make sure that we're not undermining the will and intent--

JASON BUCKINGHAM: Right.

CONRAD: --of the Legislature that said we want this to be a focus of the curriculum and we want it to be done at this time for these reasons. So I'm, I'm just kind of trying to--

JASON BUCKINGHAM: Sure.

CONRAD: --work through those, those different sides of, of the scales to find the right balance there.

JASON BUCKINGHAM: And we're not against having this as a requirement in there. It's just how it's done is pretty important, particularly when you look at the teacher shortage we have currently.

CONRAD: OK. Thanks. Thanks.

JASON BUCKINGHAM: You bet.

MURMAN: Any other questions? Senator Briese.

BRIESE: Thank you, Chairman Murman. Thank you for your testimony here today.

JASON BUCKINGHAM: You bet.

BRIESE: In your testimony, you say you currently have most of the requirements of 79-3304 already in existing coursework. So if this bill passes, you're not going to have to do much different?

JASON BUCKINGHAM: Well, the problem is, is we don't have a separate standalone class, which is a requirement of the bill.

BRIESE: Right.

JASON BUCKINGHAM: So for us, we would have to create a whole different graduation requirement, which we're prepared to do. We've already got the board action to, to change for the incoming freshmen for next year to do that. That has repercussions and again, it cuts back one more elective that a student could take. It also is going to require a full-time person to move out of-- well, close to full time person-- to move out of the class that they're teaching, existing and move into teaching this class solely.

BRIESE: But you're essentially meeting the requirements of LB520 now.

JASON BUCKINGHAM: Correct.

BRIESE: OK. So are you completely confident that LB520 wouldn't lessen the beneficial impact of 79-3304?

JASON BUCKINGHAM: I don't think that it would for us, no.

BRIESE: But it would be for elsewhere.

JASON BUCKINGHAM: We would have some work to do on our end to make sure that we met every requirement that 79-3304 has. There are a couple of components that we may not be meeting currently in

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

coursework and we would have to address that on our end, but we would make sure that we met NDE's requirements for, for that, for that statute.

BRIESE: Thank you.

JASON BUCKINGHAM: You bet.

MURMAN: Any other questions? Thank you very much.

JASON BUCKINGHAM: Thank you.

JACK MOLES: Good morning, Senator Murman and members of the Education Committee. My name is Jack Moles. That's J-a-c-k M-o-l-e-s. I'm executive director of Nebraska Rural Community Schools Association. On behalf of NRCSA, I'd like to voice our support for LB520. We thank Senator Walz for introducing this bill, which recognizes some of the work already being done in schools in the area of computer science and technology education. Many of our schools today are one-to-one schools. That means every student has a-- it's-- their own device. And in these schools, many, many of the technology skills are being acquired during different classes, not in just a single class. Being required to provide instruction in these classes-- in one class would likely cause much-unneeded replication. For this purpose, LB520 makes a great deal of sense in meeting the intent of the original law. And I, I'm going to cloud the issue a little bit, but I'd like to bring up the idea of maybe something you could consider also. What we'd recommend is that a one full semester class at the middle school level be allowed to cover this. And the reason for this is in talking to many of our schools, in the middle school, they have what they call rotational classes or enrichment classes or electives. And in these, the schools offer many different things. For example, art, computer technology, keyboarding, personal finance, industrial technology. The reason they do this is, is to offer the students a glimpse of what interests may be available to them in high school. One of the-- a couple of schools that I talked to said they actually have, in the middle school, a coding class also, which would be within the, the realm of this. If our suggestion would be adopted, of course, we would say that the class needs to be a full semester class. Many of the rotation classes are maybe six weeks in length or nine weeks in length. If you were to go down to the middle school, it would need to be a full semester class. We, we appreciate Senator Walz's desire to recognize that many schools have several offerings that could enable them to meet the requirements of the law. LB520

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

would recognize those schools' efforts and we're excited for this opportunity to improve on LB1112 from last year. Thank you.

MURMAN: Thank you, Mr. Moles. Any questions? If not, thank you very much.

JACK MOLES: Thank you.

KYLE McGOWAN: Good morning again, Chairperson Murman and members of the Education Committee. My name is Kyle McGowan, K-y-l-e M-c-G-o-w-a-n, and just to get to the point, which I think Senator Walz for clarifying some of the language here, Senator Conrad had mentioned, does this essentially lengthen the runway? We-- you heard and you already know there's a teacher shortage and computer sciences, particularly a shortage. We see this as giving a year to get prepared to implement what the Legislature had intended. It does also state in here the State Board of Education must have measurable content standards for computer science and technology by March 1, 2024. Each school district then must adopt those content standards by '25-26. And it does allow some flexibility that you could have one five-hour credit class for graduation or you could have a combination of classes to meet that. So again, we think it's clarifying and gives us a better opportunity to implement what was intended. That's it.

MURMAN: Any questions for Mr. McGowan? Senator Briese.

BRIESE: Thank you, Chairman Murman. Thank you for your testimony here today. So the schools are basically saying we're already doing this. We don't need that standalone class that 79-3304 seems to require.

KYLE McGOWAN: I would put a caveat to that, OK? I think there's some schools, particularly in the eastern part of the state, have more opportunity that have been offering more, more classes. I think that schools across Nebraska, for many years now, have been moving to be having students and teachers more literate with technology. But the, the intent that we heard from Senator McKinney was an extra level of computer literacy and so I think that's what we're trying to implement. So the foundation, I think Nebraska schools are in pretty good shape, but I think the intent was to move to a higher level for a graduation requirement.

BRIESE: I think I heard someone talk about or complain about the possibility of replication and things of that sort. Replication is not necessarily a bad thing--

KYLE McGOWAN: We're always complaining, Senator, so--

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

BRIESE: --but anyway.

KYLE McGOWAN: Yeah, replication-- again, any topic, it's, it's how deep you want to get into it. So to make sure that we're raising the minimum expectation for Nebraska graduates, I think, was the purpose. I think there's schools already meeting that now and going way beyond. And then I think there's some other schools that might have to raise their game.

BRIESE: OK. Thank you. Thank you.

MURMAN: Senator Linehan.

LINEHAN: Thank you, Chairman Murman, and thank you, Mr. McGowan, for being here today. I'm trying to remember the hearing a year ago. I think it was just a year ago. Weren't there-- wasn't there a group here that said they could provide these classes online free of charge?

KYLE McGOWAN: That they could provide them online?

LINEHAN: Well, I guess I'm asking this hoping somebody will remember. It seems to me there was a group that came in. They were already doing some work where they could provide online classes, which means they could go to any school in the state. And there wasn't a charge or minimum charge. Do you-- you don't remember? It's fine.

KYLE McGOWAN: I don't remember.

LINEHAN: I'm really not asking you. I'm asking everybody.

KYLE McGOWAN: Yeah. Well, I don't think there's anything that you can't get online, especially for a price. And, and there are access to a lot of good quality curriculum too that's online free of charge too. I, I-- in a required class, it would have to certainly meet the standards that-- and content standards that NDE states. And that's what-- you know, part of this is NDE does have content standards for technology and-- or computer technology. And so in this bill-- and this might be going off of the, the track that you want to-- you would have to meet the content standards and you could do them in a couple of different classes rather than just one five-hour course.

LINEHAN: Right. I just-- somebody-- I think Mr. Cassling probably has got the answer that I'm looking for, so. But thank you very much.

KYLE McGOWAN: Yep.

LINEHAN: Appreciate it.

MURMAN: Any other questions?

CONRAD: Yes.

MURMAN: Senator Conrad.

CONRAD: Thank you. Thank you, Chairman Murman, and to follow up on Senator Briese's question and maybe, Mr. McGowan, you heard me kind of visiting with Mr. Buckingham beforehand. But I'm really hearing kind of two things from some of the educational professionals that are helping us work through the bill today. And on their face, they seem divergent, but of course, two things can be true at the same time. One strain seems to be around we're already doing this. The other strain seems to be around we can't possibly do this. So, like, I'm just trying to-- and maybe it's because different schools are at different places on that continuum. And I know you represent kind of a broad swath. Can you help me understand?

KYLE MCGOWAN: Yeah, well, I think you're right in terms of different schools might be on different places--

CONRAD: OK.

KYLE MCGOWAN: --on their availability, which may be the heart of it. And, you know, the previous testifier talked again about, you know-- and, and I don't know this, but I would guess, you know, 70 percent of Nebraska schools already have a one-to-one computer per child system in their schools, which already lends itself to having a certain level of technological expertise, right? So that's a foundation, but, but probably not the expectation that Senator McKinney had for his bill in terms of getting-- making sure every Nebraska graduate has a competent level of use of technology, you know, as they continue to be lifelong learners.

CONRAD: OK. I think that's so helpful and responsive. Thank you. Because I think that's what I'm really struggling with. If the intent of Senator McKinney and the Legislature as a whole, which adopted that measure, you know, really was to have a higher--

KYLE MCGOWAN: Minimum.

CONRAD: --minimum-- a higher-- to really move standards up for proficiency and understanding and application, which makes a lot of sense in a digital world, in a global economy. And, you know, I

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

really took to heart Ms. Dorsey's important perspective that it's not just, you know, coding and computer science, but applications in ag and industry and really everything that we, that we do nowadays, but. So I would, I would just be-- I'm, I'm just trying to kind of think through how do we not undermine the intent of Senator McKinney's legislation in the last go around, which was saying to Nebraska-- the Legislature saying to Nebraska schools, we, we want you to level up. And now it seems like maybe we're, we're just not able to get there. We're--

KYLE MCGOWAN: Oh, I think we're able to get there.

CONRAD: OK.

KYLE MCGOWAN: I think that the intent of LB520 is to give us the time to have our teachers trained.

CONRAD: OK.

KYLE MCGOWAN: Because I don't think it's feasible to think that we're going to hire all these new computer teachers, right? We're going to have to train existing teachers to, to be able to teach to that level. So that's a piece. And I also think it's important for NDE to develop what those standards are. Now, I did listen to Mr.-- or Senator McKinney last year in his introduction. I think-- and I don't want to speak for him, but--

CONRAD: Sure

KYLE MCGOWAN: --I interpreted his introduction as talking about making sure all students in Nebraska have that level of instruction and that maybe some students were not getting that--

CONRAD: OK.

KYLE MCGOWAN: --so.

CONRAD: No, that's really helpful. And I'm thinking that in the interim, I need to probably audit some of these courses myself, considering my tech limitations. But yeah, I, I really appreciate that. Thank you so much.

KYLE MCGOWAN: Well, if you can handle Netflix and Hulu and--

CONRAD: Yes. No, I know. I'm frequently amazed by my own children and their tech savviness. Yeah, thank you.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

MURMAN: Any other questions for Mr. McGowan? Thank you very much.

KYLE MCGOWAN: Thanks.

MURMAN: Any other proponents? Any opponents for LB520? Anyone want to testify in a neutral position for LB520? If not, Senator Walz, you're welcome to come up. And while she's coming up, we had online comments: three proponents, no opponents and no neutral. Thank you. Go ahead.

WALZ: Thank you. Senator Conrad, you are correct. You are not very technically-- and neither am I, so I get it. Thank you to all those who came to testify and thank you, committee members, for taking the time to listen. Again, this is a bill that gives our school more time to comply and it gives flexibility in the class structure. As Ms. Dorsey stated, their goal is to fill 10,000 tech jobs by 2025. And that's a lofty goal so implementing computer tech as a graduation requirement is important. I want you to know that I've talked to a lot of educators across the state and they are pretty darn excited about this opportunity to teach and also to partner with the business community and effectively prepare kids for their future and to meet workforce needs. We're pretty excited to see how this bill initially proposed by Senator McKinney and Senator Slama changes the future for our students, for our economy and for our state. So thank you very much.

MURMAN: Thank you, Senator Walz. Any questions? Senator Linehan.

LINEHAN: Just one quick one. Thank you, Chairman Murman. Senator Walz, could you get us-- I didn't want to ask the schools and put them on spot. But could you give us-- get-- have them provide you some examples of the electives they might have to give up if they had to teach another course?

WALZ: Sure, yep.

LINEHAN: Thank you very much.

MURMAN: Any other questions? If not, thank you very much, Senator Walz.

WALZ: Thank you.

MURMAN: That will close the hearing on LB520 and we will open the hearing on LB153. Welcome, Senator DeBoer.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

DeBOER: Thank you very much. Good morning, Chair Murman and members of the Education Committee. My name is Wendy DeBoer, W-e-n-d-y D-e-B-o-e-r. I represent Legislative District 10 in northwest Omaha. Today I am introducing to you LB153, which would adopt the Extraordinary Increase in Special Education Expenditures Act. No good acronym, but that's what it is. Those of you who are on the committee last year may recall-- or last biennium may remember that I introduced this bill in 2021 as LB473. LB153 would create a fund consisting of money appropriated by the Legislature from General Funds. The initial fund would begin with an appropriation of \$10 million or whatever you think is appropriate and would assist school districts with upfront aid when they see a substantial increase in their special education expenditures over the previous year. Currently, school districts are reimbursed by the state through federal IDEA funds for a percentage of their special education costs. Usually this reimbursement amount is somewhere between 40 and 50 percent of SPED expenditures. But you've heard, I think, by now that we're attempting to increase that percentage. But this reimbursement comes a year in arrears so districts have to pay these costs upfront before they get reimbursed, which can be very difficult for them in situations where costs rise dramatically and unexpectedly from year to year. This is especially common in our smaller school districts where one additional student moving into the district can cause a substantial increase in costs if the district does not already have the programs or tools required to address the student's needs. They may need to hire, for example, an ASL translator or buy a new school bus that can accommodate the needs of a student with physical disability or hire additional staff members to assist a student with a learning or behavioral disability. The Extraordinary Increase in Special Education Expenditures Fund would seek to address this issue by providing some state aid for special education earlier in the same school year that the expenditures were made, if there was an extraordinary increase. Under this bill, a school district that wanted to apply for funds would have to submit their special education expenditures as of December 31 of the current school year by January 15. The department would then calculate 107 percent of half of the actual SPED education expenditures for the prior year. If the number that the NDE calculates is greater than the expenditure submitted by the district, then the district is reimbursed-- is eligible for reimbursement in an amount no greater than the difference between the two numbers. Since the \$10 million that the bill allocates for the fund would likely not be enough to cover all the eligible districts, extraordinary increases funds would be paid out proportionally unless you all would like to increase that number,

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

which I am open to. You all know about how this has also happened where there are some resources that have recently closed, which has caused a precipitous increase in special education funding. This is an attempt to fix that problem. When the reimbursements are calculated for the school year in which a district received aid from the fund, the district would not then receive their regular reimbursement for expenditures. Those would instead go to the fund. So the fund gets reimbursed for whatever it pays out and makes itself sustainable so this I see as a one-time expenditure of capital, which would then be self-sustaining because the money goes originally to the school district that needs it when they find themselves in this position. And then the money that would be reimbursed to them would go into the fund. It's my hope that this fund can assist school districts in meeting unexpected special education needs and help Nebraska better serve students with special education needs no matter what part of the state they happen to live in. It's not going to be something that affects school districts that have a very large number of students because just proportionally, they're not going to find themselves in that position of having such an extraordinary increase that they would go over 7 percent. This is mainly for the smaller school districts where a few children could make a significant difference in the number of-- or the amount of special education expenditures that they have. So I will say that if there are ideas about how to make the bill better, I am more than happy to work with the committee to do this. I am going to waive closing because I need to get back to my committee. So if you would like to ask me questions, this may be the opportunity. And of course, I'm always available to the committee and to all of you whenever you would like to ask me questions.

MURMAN: Any questions for Senator DeBoer? Senator Linehan.

LINEHAN: Thank you, Chairman Murman. Is there-- where did you get-- I mean, the 107 percent versus, like, 110 percent or 105 percent. Where does this number--

DeBOER: You know what, Senator Linehan? I can't remember.

LINEHAN: OK. That's fine.

DeBOER: We made it, we made it before and there was a reason, but I cannot recall what it was.

LINEHAN: OK. That's fine. Thank you very much for being here.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

MURMAN: Senator Conrad.

CONRAD: Thank you, Chair Murman. Good to see you, Senator DeBoer. As new member of committee, I'm just trying to get up to speed. Can you help me understand, Senator DeBoer, how this measure kind of relates to or complements some of the other measures we have before us to basically try and address the same issue, which is to increase resources for school districts in kids with-- serving kids with special needs. So I know Senator Wishart has had measures related to that. I think maybe Senator Sanders has some of those measures as part of the Governor's kind of broader vision for education reform. Does this fit within that puzzle? Is it-- just help me understand kind of how it, it may fit within that puzzle or be separate and distinct. Because I'm just trying to--

DeBOER: Yeah, absolutely.

CONRAD: --sort through it.

DeBOER: So the main difference is that whatever other programs we put into place, if they go through the regular special education funding, as we've always done, as the federal government requires, etcetera, those will be paid at year in arrears.

CONRAD: Right.

DeBOER: This is to get the money up front. So it's just to give them money upfront if they suddenly, in the middle of the September, discover that they have three new students they didn't expect to have and so now their expenditures are much higher. They've got to find a way to pay for that within their existing budget. But they don't have the existing budget because they didn't know it was coming and the money doesn't reimburse them until later, a year later, which doesn't really do them a lot of good.

CONRAD: Right.

DeBOER: So part of the problem is they are always kind of wondering what's going to happen this year? Where are we going to be at when school opens in terms of our special education needs?

CONRAD: I got it. So this is like a revolving fund, kind of a, a short-term stopgap before the regular funding streams come into place in terms of when they're accrued, when they're paid. Is that enough for some clarification?

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

DeBOER: That's exactly it.

CONRAD: OK. All right.

DeBOER: That's exactly it. So it's just a pot of money that when you find yourself a little short because you have some unexpected expenditures, you get some money a little earlier. It's still not right away.

CONRAD: OK.

DeBOER: It's still a semester lag time, but it gives them some money a little earlier so that they can pay those additional costs of a van or a student or a helper or a para or whatever.

CONRAD: Thank you so much. I appreciate it. Thanks.

DeBOER: Yep.

MURMAN: Any other questions? If not, I have one. I know this is-- can be an issue, especially in small, rural schools.

DeBOER: Yep.

MURMAN: You know, just one or two or whatever, the severely disabled, especially, coming into school. So this program would help them to-- help the school to get through that first year?

DeBOER: Correct.

MURMAN: Do they-- and you may have said it, but I probably missed it. Did they pay back any of that after the first year then?

DeBOER: So they don't actually pay it back. The money that they would get otherwise reimbursed from the federal government from the-- all of that would then go into the fund to reimburse it. So they don't actually have to repay it because their reimbursement funds would go in there. So their reimbursement funds would be redirected to the Extraordinary Increase in Special Education Fund.

MURMAN: So part of the-- if we increase it to 80 percent federal and state support, part of that, those funds would go into the revolving fund, I guess?

DeBOER: Yeah, just to pay it back for whatever was fronted. So this is like-- the, the fund is like-- that I'm creating would be something that would just sort of be a short-term loan that gets paid back then

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

when you get your paycheck, basically. It's like a paycheck advance, but for-- OK, don't don't, don't tell Senator Vargas I said that, but. Scratch that, but, but it would operate, it would operate as a, a short-term funding supply, which then would get paid back from the long-term funding supplies.

MURMAN: That 80 percent state and federal funding, as you mentioned, comes a year in arrears.

DeBOER: Correct.

MURMAN: So they wouldn't have those funds until the next year.

DeBOER: Right, that's why when-- the next year when those funds come in, that's what pays it back. So it's just like a short-term kind of a loan because they would get the money from the special education extraordinary increase fund-- I really need an acronym from that-- in the year when they're actually paying these higher costs. The next year, they'll budget for that. They'll alt that and they'll know that they're having that money come in from the federal government.

MURMAN: If those same students who are still there the next year, they would still need those funds the next year.

DeBOER: Right, but they would be-- they would be getting them-- I mean, it's, it's something that they could plan for, right?

MURMAN: OK.

DeBOER: So, yeah, I mean, it doesn't-- this by no means solves the problem of a year in arrears. It eases the problem of a year in arrears. And that's, you know, the best that we could think of. If you, Senator Murman, or your committee have an idea of how to improve the bill so that it would solve the problem, I'm all ears. I'm happy to work with you on anything to work on this. I reintroduced this again because I think we just ran out of time to work on it last year. We weren't in a situation where we could. I think this is a work-in-progress bill. We've made some improvements from the initial time I've introduced it. I think it identifies a problem that does exist out amongst especially our rural schools and it suggests a solution. If there's a better one, I'm happy to work on that.

MURMAN: OK. Thank you. Any other questions? Yes, Senator Walz.

WALZ: Thank you, Chairman Murman. Thank you, Senator DeBoer, for bringing this bill. And you answered part of my question. I-- it

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

didn't-- did it get out of committee? Did it get on the floor? What happened to it that you have to reintroduce it?

DeBOER: Oh, goodness. I don't remember.

WALZ: OK. It's OK. Well, you and I had a conversation. I'm glad that you're reintroducing this bill. You and I had a conversation. There was an agency that serves individuals with developmental disabilities that had an actual special education school within their organization and unfortunately unpredicted, unfortunate that that school within that organization had to close. So the, the kids that were attending that school had to be transferred to the public schools. And in-- not a lot of time to plan, not a lot of time--

DeBOER: Right.

WALZ: --to bring in teachers or hire teachers. So it, it really put a strain on the community and a financial strain on the schools. So I just wanted to say thank you again for bringing the bill. I think it's a good way for communities and school districts to be able to plan for unexpected things that happen.

DeBOER: I think that's exactly right. And if we'd had something like this in place or a better version, which you all will think of, then we would have had some ability to sort of help those folks when they are suddenly finding themselves in the position of not having that provider that they had.

WALZ: Right. It's better for students, families, teachers--

DeBOER: It's better for--

WALZ: --everybody all around.

DeBOER: --literally everywhere, so.

WALZ: Thank you.

MURMAN: Any other questions? Thank you very much.

DeBOER: Thank you.

MURMAN: Any proponents for LB153?

JASON SCHAPMANN: Good morning. My name is Jason Schapmann, J-a-s-o-n S-c-h-a-p-m-a-n-n. I'm the superintendent of Twin River Public Schools in Genoa, Nebraska. Again, thank you, Senator and Chairman

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

Murman for the opportunity and the Education Committee to speak today. Thank you, Senator DeBoer for introducing LB153 and making special education a priority in our schools. Lastly, thank you to Governor Pilleen for making special education a priority in the budget with LB583, reimbursing school districts for special education expenditures. Education has always been focused around what students deserve and what they need. There's a difference between what a student deserves and what a student needs. What a student deserves can be based off feeling, emotion or state of mind in a current moment in time. Just think back to when a student receives an all-time best on a test. Most people would say the student deserves a reward based upon the joy of seeing the student succeed. On the other hand, when a student misbehaves, a lot of people would say that student deserves punishment. What a student deserves is mostly based on subjectivity. What a student needs is based on data from research-based testing and compiled input from numerous sources such as parents, teachers, specialists, and even the student themselves. Student needs can reach from all levels of education on the top student of the class needing a college-level course to a special education student needing tier 3 intervention. However, one is harder than the other. Providing a dual-credit class for a student can be as simple as having a student be monitored by an individual staff member in a random classroom with potentially no expense, thanks to scholarships and colleges providing low- to no-cost courses. Students in special education do not have it that easy. A student in special education needs specific interventions, accommodations, modifications and instruction based upon their disability. In the past three years of the pandemic, students are in need of more intervention, specifically those with specific learning disabilities in reading, math, especially students being verified as having an emotional disturbance. Providing what these students need is not an option regardless of their disability. Providing for their needs is becoming increasingly and challenging for districts. And unfortunately, funding and resources are becoming a larger barrier to providing for the students. At Twin River, two twin brothers moved into the district in the fall of 2018. For the sake of their story, their names are Josh and Justin. To paint the picture, Josh and Justin reach six foot two, 200 pounds, and very strong boys. Josh and Justin had autism, were nonverbal and very physical. Once students move into the district, there is no choice on what to offer the students. It's what they need. Josh and Justin needed an individual case manager or special education teacher for constant progress monitoring and two paraprofessionals for each student. Throughout their time at Twin River, these students had to be transported from Genoa to Omaha to

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

the Munroe-Meyer Institute and had specialty rooms renovated with cameras for security systems, dignity rooms and electronic door barricades for their safety and the safety of staff, all at the expense of the district. The district did what it could provide for the needs of the students. However, it was not enough to provide for their needs. Most recently, Josh and Justin had to be transported to Grand Island to Integrated Life Choices at the cost of \$107 per hour per student, or roughly \$12,000 a month. And that's made total the students in three years' cost to the district over \$870,000. Each year, the cost of the students' education will be approximately 2.5 cents on the district's levy. This story is and isn't about money. The district would provide for the students regardless of the expense, not just because it's the law, but because it's the correct moral decision. These students are never going to compete in sports, college or the workforce, but mainly against themselves, their benchmarks and their goals. Josh and Justin needed special education to better their lives. Josh and Justin have since moved out of state, but by the end of their time at Twin River, the students had made progress in their goals because of their placement outside of the district. Twin River Public Schools would have benefited from LB153 to plan for expenditures in the current school year and future years of educating Josh and Justin. In closing, I would support LB153 and encourage you to move it forward.

MURMAN: Thank you. Any questions for Mr. Schapmann? Yes, Senator Conrad.

CONRAD: Thank you, Chair Murman. Thank you, Superintendent Schapmann. So under the current system, without these measures or reforms, taking the brother's example that, that you shared with our committee, so help me understand. Like, your school would have perhaps, as part of their budget, like, a buffer or a line item that on allocated for--

JASON SCHAPMANN: Right.

CONRAD: --unanticipated expenses or how, how do you make it work under the current system?

JASON SCHAPMANN: So currently, you'd shift your paras.

CONRAD: OK

JASON SCHAPMANN: You would pay them increasingly more. So if you have a paraprofessional, as a general education para, they would probably

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

make 1450. You would shift that to, like, a 1750 special education para--

CONRAD: OK.

JASON SCHAPMANN: --and move them in. Unfortunately, in this case, we, we rolled through about three different paras because of the nature of the boys. We also had to allocate one special education teacher and shift the caseload to the other teachers instead of just hiring a new staff person like we did the next year. In this case, there was the buffer. This is my first year at Twin River so I inherited kind of them just for this school year. But doing the research in the past, there's a small buffer.

CONRAD: OK.

JASON SCHAPMANN: But as far as if I were to do it, you know, that's where you start pushing back a technology rollout for a year. You start looking at a curriculum change that you might have to delay a year. In a sense, you just have to do it. I mean, at the end of the day, like I said, you just raise-- you have to raise your levy to the amount that you need it to because, like, for these students, this year alone would have cost \$250,000 to educate those students. And so for us, I remember moving into the chair, I said, what are some of the strategic goals of the budget for the year? And one of them is you're going to have two students that you need to plan for special education for these funds. And so when I took to, to the board, I said we have some drastic student needs that are-- need to be met here and that's the purpose of one of the-- the, the levy and where it was set.

CONRAD: OK, that's helpful. Thank you.

MURMAN: Any other questions? I have one. So from the way you described these, these boys, they, they would need someone, an aide that's very strong physically to handle.

JASON SCHAPMANN: Two to one, two staff members to one boy.

MURMAN: So when they-- if they were-- if or when they were a danger to themselves or someone else, could their aide restrain them some way?

JASON SCHAPMANN: It was difficult. And that's kind of where I'd put in there about the, the rooms itself. And so they call them dignity rooms where they're padded rooms. They have special locks that are

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

required by law that they can't lock from one side. You have to continually push on it. Those rooms are built into our classrooms. And so if they could, two people would get the student into one and then another person-- so three total-- would push that kid into that room because they would throw things, they would defecate on people, they would hit people. And again, we're not talking two of the strongest people in the world. We, we did have, I know, some workmen's compensation claims that came about from these students as well. And so it was, it was fairly dangerous. That's where I said eventually, again, you go from your level of restriction to where you cannot provide for these needs of the students anymore to the point where they needed some sort of-- it wasn't residential, but that would be the step before residential. That's what those kids needed. When I talked to their teacher-- and I'm sorry, I'm venturing off here-- but you talk to their teacher at Integrated Life Choices and their, their goals were to be able to walk out to the car with the hand on a staff member's shoulder. When they had a week, two weeks bad time, there were three to one staff to the student. And so again, for us, I said, what do you need? Let's-- we'll pay you what you need. Don't worry about it. But the goals for these students are a lot different than if they were for, you know, a normal, regular education student. And so sorry I ventured off on the question.

MURMAN: No problem.

JASON SCHAPMANN: It was-- from what I've gathered, it was, it was a very stressful environment for principals, superintendents, caseworkers and kind of just everybody involved because of it-- they actually broke the security doors that were holding them back. They were very strong boys, and so--

MURMAN: So it was for the good of those two students and all students in the, the school and--

JASON SCHAPMANN: Absolutely.

MURMAN: --staff, everyone in the school to be able to restrain them when necessary.

JASON SCHAPMANN: Correct. And one of the big things to-- kind of to go back into this bill, you know, as you kind of start to plan and prepare for not only this year, but it would be for future years as well. So you can build that into the bill-- or into the-- into your funding. And so I think it'd be very beneficial to get that money up

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

front and then obviously take it out in the next years for your reimbursement so that way you can plan better in the future.

MURMAN: Thank you very much. Any other questions? Senator Conrad.

CONRAD: Thank you, Senator Murman. And sorry, just quick follow-up there. Senator Murman's line of questioning kind of made me think through some of these issues. So under existing law, your school district had the resources and flexibility, maybe not the resources, but had a legal framework to protect the students, faculty and staff with the challenging cases you had before you.

JASON SCHAPMANN: It was-- trying to think. Because again--

CONRAD: [INAUDIBLE]

JASON SCHAPMANN: --first year. I'm trying to gather from what I've gotten from other people. I would say there was probably more need than what they actually had.

CONRAD: For resources or for the ability to restrain students?

JASON SCHAPMANN: Resources. I think-- again, I'm not trying to go down a slippery slope here with the ability to restrain students. I think that's a whole nother bill and a whole nother conversation other than--

CONRAD: Yes.

JASON SCHAPMANN: --LB153. Because again, to me, I think the funding is the necessary-- what we needed for the bill. I think, again, if we're going to talk restraint, I think that's another avenue--

CONRAD: Very good.

JASON SCHAPMANN: --we'd have to go down, a different bill to talk about.

CONRAD: Thank you so much. Thank you, Chair.

MURMAN: Any other questions? Thank you very much.

JASON SCHAPMANN: Thank you.

JACK MOLES: Good morning, Senator Murman and members of the Education Committee. My name is Jack Moles, that's J-a-c-k M-o-l-e-s, and I am the executive director of the Nebraska Rural Community Schools

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

Association, also known as NRCSA. On behalf of NRCSA and the Greater Nebraska Schools Association, I'd like to voice our support for LB153. We thank Senator DeBoer for introducing this bill, which recognizes the difficulties faced by districts when unexpected special education costs arise. Many times, these costs rise because a student or students move unexpectedly into the district. In discussing LB153 with member superintendents, many of them shared their stories and how LB153 would have helped them or would help them right now. I look-- I provided some stories for you. And what I did as I just identified them as district 1, district 2, district 3. And the reason for that is I'm just cautious about what I'm saying being able to be traced back to a specific student. If you had-- would like the information of what those districts are, I would certainly share them with you, though. Just to highlight a few things, first of all, district 1 had a family moved in with two high-need students. You can read about what took place there, but the accommodations came to about \$175,000 this year. And, and for a reference, I looked at last year's SPED expenditures for the district, the amount of \$209,000 so almost a doubling just with one family. District 2, I looked at the different things that would cost them with a deaf educator-- or a deaf student, \$80,000 annually for a program plus paras for another student. And the cost of that district, well, their expenditures last year were about \$192,000 so we're getting to probably close-- over half. The district 3 student came in, needed to be placed in the life skills program with the local ESU at \$65,000 apiece. Another student had behavioral issues, program at \$30,000. And another student receiving educational services at the Iowa School for the Deaf did about \$65,000 a year. Total expenditures for last year for the district were \$750,000. I provide three other ideas there or stories there. Running out of time, but in closing, we appreciate Senator DeBoer's recognition of the spirit impacted on a district's budget when unexpected high-cost students move in. Most often, these are smaller districts that often do not have a program to house in house to provide the needed services. Thus, the costs for the services are often placing more of a strain on the school district's budget. LB153 is an attempt to help those districts and provide them with better ability to plan. So we do encourage you to move forward with LB5-- LB153.

MURMAN: Any questions for Mr. Moles? Senator Linehan.

LINEHAN: Chairman Murman, thank you very much. Thank you, Mr. Moles, for being here. On the-- on your district 2, the paras cost between \$20,000 and \$25,000 a year. Are the paras not provided benefits?

JACK MOLES: It, it depends on the district.

LINEHAN: OK.

JACK MOLES: The district I was in, we did provide at least a single insurance plan.

LINEHAN: OK.

JACK MOLES: So it, it just depends on the district.

LINEHAN: All right. Thank you very much.

MURMAN: Any other questions for Mr. Moles? I have one. I'm not sure who else is going to testify. And maybe there will be someone to more easily answer this question. But there's a \$10 million fiscal note on this bill. It seems like to me-- and I haven't read through the whole fiscal note, but it wouldn't cost \$10 million a year if schools, you know, temporarily use that money and then repay it back the next year. The cost to the state isn't \$10 million.

JACK MOLES: Yeah, what, what I was looking at was pot-- the, the pot of money to start it with. And to be honest with you, I-- \$10 million might be a little short. I think you might need to go a little further north than that. But the way it was described by Senator DeBoer, yeah, I think you can, I think, kind of self-generate and let itself go.

MURMAN: Yeah, I didn't-- I guess I didn't look at it that close. So that's just the first year it was going to cost \$10 million. It's not \$10 million--

JACK MOLES: That's what she had intended to have in the, I guess I'd call the pot of money, and then have that available. And like she said, it could be pro-rated, but it would help those districts. The way she, she's got to set up, \$10 million might be a little short.

MURMAN: OK.

JACK MOLES: Not-- I don't have a magic number for you either, so.

MURMAN: Sure. OK. Thank you very much. Any other questions? OK, thank you.

JACK MOLES: Thank you.

MURMAN: Good morning.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

DUNIXI GUERECA: Good morning, Chair Murman, members of the Education Committee. My name is Dunixi Guereca, D-u-n-i-x-i G-u-e-r-e-c-a. I'm the executive director of Stand for Schools, the nonprofit dedicated to advancing public education in Nebraska. Stand for Schools is here in support of LB153. Educating students with special needs is one of the most important roles of a school district, but it's also one of the costliest. Especially in smaller districts, budgets could be significantly affected if one or even two students with severe needs move into the district in a given year. And often these districts cannot reasonably plan for these expenditures. Schools must and do provide free and appropriate education to special needs students, regardless of if the state and federal reimbursements are paid, affecting the ability to fund other programs and ultimately increasing the pressure to raise property taxes. LB153 will ease the burden on districts providing aid from the Department of Education to fund special education expenditures if special education expenditure increase exceed 6, 7 percent from the previous year. As the Legislature considers dramatic and overdue increases in special education funding, LB153 provides a smoothing mechanism to ensure that districts are not left stranded by unexpected expenditure-- education expenditures. We appreciate the Legislature's diligent consideration of LB153 and urge you to advance the bill.

MURMAN: Thank you. Any questions for Mr. Guereca? If not, thank you very much.

DUNIXI GUERECA: Thank you, Chairman.

COLBY COASH: Good morning.

MURMAN: Good morning.

COLBY COASH: My name is Colby Coash, C-o-l-b-y C-o-a-s-h. I represent the Nebraska Association of School Boards. Today, my testimony also reflects the support from the Council of School Administrators, the State Education Association, and Greater Nebraska Schools Association. I think the previous testifiers have outlined pretty well, in addition to Senator DeBoer, why we've supported this bill this year. We supported it when she introduced it the previous two sessions and would like to support again. As, as you all heard, funding for special education in public schools, the cost is, is rising across the state. What often makes this even more difficult are when the circumstances of an extraordinary high-needs student are, are dropped into a district and their budget pretty unexpectedly and that-- when these transfers happen-- I mean, when, when you know

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

what's going to happen, boards can prepare for that. They can, they can budget for those needs. But often, that's not the case and the student is, is moved in or sometimes more than one. Couple of the previous testifiers talked about, you know, some behavioral needs that necessitated additional resources, certainly resources related to their disability. But there's also sometimes medical needs that the schools have to accommodate for those students. I'll give you just a couple more examples. There was two siblings who came into a school district and they had a degenerative eye disease and that, that disease was going to render them eventually blind. And the school district had to invest in some equipment, and then they had to buy all new textbooks, which were in Braille, which was something that they didn't really-- didn't expect, but they needed to teach those students how to read using Braille. And so that, that required a pretty significant investment just in the textbooks. So I just wanted to, to ramp-- sometimes it's a medical issue, right, students come in that use feeding tubes, mobility devices, wheelchairs, and things like that. Sometimes it's building issues. You might have to do things to make sure that your school's more accessible for students. And that's, that's certainly a, a consideration as well. So we just wanted to come back in once again, thank Senator DeBoer for reintroducing this bill for all the reasons that you've heard and urge the committee to advance it.

MURMAN: Thank you. Any questions for Mr. Coash? Thank you very much.

COLBY COASH: Thank you.

MURMAN: Any other proponents for LB153? Welcome back.

EDISON McDONALD: Thank you. Hello. My name is Edison McDonald, E-d-i-s-o-n M-c-D-o-n-a-l-d. I'm here representing the Arc of Nebraska, we're Nebraska's largest membership organization representing people with intellectual and developmental disabilities and their families. We support LB153. You're going to get tired of me talking about the special education crisis. But our families are really struggling this year, unlike any time that I have seen in my five years with this organization. I'm very excited that Governor Pillen and a number of you are leading on bills to make sure that we address this, because I think, you know, we've talked a lot, especially with Senator Murman, about school discipline issues. So much of it comes down to just we don't have adequate staffing. We heard that testifier earlier who talked about how if you don't have the staff to be able to deal with an individual, what do you do, you shove them into a room. That's when you have more physical

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

interventions and you end up having to grab a student. I don't know about you all, it's way easier to watch one kid than it is to watch 20. And making sure that we have that proper support is so key. We talked-- there was a question earlier that I just kind of wanted to dig in to talking about the bigger picture because there are a lot of special education bills out there this year, and I think there are a whole bunch of these pieces that work really well together. LB583, Senator Sanders', increase in state funding to 80 percent really focuses on kind of the long-term structural sort of piece. And I think that it's going to decrease if that passes the need for this. But I still think that this would be an important tool to have, especially for those small districts. Then I think kind of the short-term solution is LB385, Senator Linehan's incentive bonuses of \$5,000, including for special education teachers. And then I think we also have to look at kind of those outside pieces and I think that Senator Dorn's LB48 focuses on ESU funding in those smaller school districts. Those ESUs are just core to really making sure that they have proper SPED supports. And then I think the last one that we have that I'm really looking at this year is LB705, which is Senator Murman's behavioral health training fund. You know, I think it's not just about having enough staff, but it's about having enough properly trained staff. And with that, I'd urge your support of the bill and open for any questions.

MURMAN: Any questions for Mr. McDonald? If not, thank you very much. Any other proponents for LB153? Any opponent? Are you a proponent or an opponent?

RICHARD HASTY: Proponent.

MURMAN: Proponent, OK. Welcome.

RICHARD HASTY: Thank you. Chair Murman, distinguished senators and members of the Education Committee, my name is Richard Hasty, R-i-c-h-a-r-d H-a-s-t-y. I'm here today as a superintendent with the Plattsburgh Community Schools extending support for Senator DeBoer's LB153. The intent of LB153 is to provide additional resources for public school districts that are experiencing extraordinary increases in special ed costs. On November 29, 1975, President Gerald Ford signed into law the Education for All Handicapped Children Act, known as Public Law 94-142. While the name has changed to the Individuals with Disabilities Education Act, or IDEA, and subsequent amendments have provided additional clarity, the original intent of providing a free and appropriate public education, or FAPE, to students with disabilities in every state and locality across the country remains

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

at the forefront. Concurrently, the act remains a mandate that is not fully funded by the federal government or Nebraska, although there are strides to enhance that at this time. As an educator with over 20 years of experience in special education, I can assure you that we have educators in our state and throughout the nation that strive to provide a free and appropriate public education for all students, regardless of their disabilities. The stark reality is that with the lack of 100 percent funding for this mandate, public school districts must utilize General Fund revenues to fund much of the excess costs related to special education. For example, the 2022-23 Nebraska Department of Education approved service provider rates are \$79 an hour for speech therapy, physical therapy, and occupational therapy services. In 2021-22, the rate for speech therapy services increased by \$21 from \$58 an hour to \$79 an hour. And that's in the chart above as well. This is a 36.2 percent increase. The rate for OT and PT increased from \$12 to-- or from \$67 to \$79. So a \$12 increase and that was a 17.9 percent increase. While annual cost increases of 2 to 4 percent are common in budgets, I believe the cost increases of 36.3 percent and 17.9 percent are extraordinary and create unanticipated additional costs to school districts, particularly for unanticipated high-needs students. While these significant types of rate increases are atypical, they create even greater budget challenges for school districts that have the opportunity to serve unanticipated high-needs students that need these specific services. A list of special education services and NDE-approved provider rates are provided at the end of this document. This information is provided merely to share the broad scope of services for which a district might need to support unanticipated high-needs students. Excuse me. Please keep in mind that these rates are for individual services and do not include the rates charged by agencies, some of which you've heard about in some various stories. For a student that might attend their program full time, which can typically range between \$200 to \$300 per day with exceptions, which you've heard, outside of this range. In recent years, the special ed reimbursement rate has been around 50 percent or less with the remaining costs borne by public school district.

MURMAN: Mr. Hasty.

RICHARD HASTY: Yeah.

MURMAN: You've only got maybe 20 seconds or so left.

RICHARD HASTY: OK, I'm going to jump to the last paragraph then. I want to thank everybody for letting me share this information as it relates to the overall excess costs. I realize the significant

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

determining factors are high-needs students moving in. I've tried to provide some greater or broader scope of information as far as the costs that could increase for a district significantly from one year to the next. And then to close, I want to thank you for the opportunity to share this information. I welcome additional special education funding through LB153 that will supplement and not supplant, although I understand now from Senator DeBoer that's not the case as this is a revolving fund, resources for school districts across Nebraska that are experiencing extraordinary costs relative to the provision of special ed services for our students. So one thing I would suggest for consideration, because I read the bill a few times and I've read various summaries from numerous organizations, I don't know that it was abundantly clear that this a revolving fund where all of the money would necessarily come out of the following school year's reimbursement. And I would encourage you to consider having some of this money be such that if the district, let's hypothetically say it's a 50 percent reimbursement and they get some of that upfront, that that-- all of that is not then taken from them the following year, that maybe a portion of that goes back into this fund and the district still receive some of that reimbursement so it's not a full revolving fund, if that makes sense.

MURMAN: OK. Thank you. Any questions for Mr. Hasty? Senator Linehan.

LINEHAN: Thank you, Chairman Murman, and thank you very much for being here. I've never seen this list before, which I've been on the Education Committee for six years. So these are the current rates per hour?

RICHARD HASTY: Those-- yes, the NDE-approved service provider rates primarily for individual service providers, not the agencies, like some of which you've heard when a student has to be contracted to an out-of-district level three placement. Those costs range from \$200 to \$300, but these are per hour. And many districts, we're a Class B school district in Plattsmouth, we have trouble finding, because of the market, the people that provide these services. And when we have to contract them-- with them directly versus hiring them as our employee, then we're looking at these rates. They could choose to charge us less than that, but not all of them do. Obviously, if they've got a rate of \$79 an hour or whatever it might be for their particular service, they're probably going to charge us that rate.

LINEHAN: So these are contractors, not employees.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

RICHARD HASTY: Not school employees. If we're fortunate enough, like I said, with the market to hire our own employees, we might be able to be more efficient with our resources. But when those people aren't available, as you've heard, for behavioral mental health, could be for nursing where students need medical support in one of the examples, then it's very difficult to find those people and we have to pay these provider rates or in some cases if they charge more we just don't get reimbursed for it. This is what we can get reimbursed for through the state with the approved provider rates.

LINEHAN: But just reimbursed at 40 percent, right?

RICHARD HASTY: Whatever the state rate is. You've heard a variety of, I think Senator DeBoer mentioned 40 to 50 percent depending on the year. So correct.

LINEHAN: Right. OK. Thank you very much.

MURMAN: Any other questions for Mr. Hasty?

WALZ: Right.

MURMAN: Sen-- Senator.

WALZ: Thank you, Chairman Murman. So I just want to clarify what Senator Linehan was trying to say. So if you are contracting out a-- oh, let me find one, licensed mental health practitioner for \$64 an hour, you're being currently reimbursed about \$35 or--

RICHARD HASTY: Whatever the state rate for that--

WALZ: Yeah.

RICHARD HASTY: --particular year is. There's a formula where that's calculated and it varies year to year, but correct. Yes.

WALZ: OK. All right. Just wanted to clarify. Thanks.

MURMAN: Any other questions for Mr. Hasty? Thank you very much.

RICHARD HASTY: Thank you for your time. I appreciate it.

MURMAN: Any other proponents for LB153? Any opponents for LB153? Anyone want to testify in the neutral position? If not, she-- yeah, Senator-- let's see, who was it-- Senator DeBoer has waived closing. We have online comments: four proponents, no opponents, no neutral.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

So with that, we'll close the hearing for LB153 and open the hearing for LB805. Senator von Gillern. Welcome, Senator von Gillern.

von GILLERN: Thank you. Good morning, Chairman Murman and the committee members. For the record, my name is Senator Brad von Gillern, B-r-a-d v-o-n G-i-l-l-e-r-n, and I represent District 4, which is parts of west Omaha and Elkhorn. Today, I'm introducing LB805, which clarifies school access for certain youth, youth organizations. Current law states that any organization listed in Title 36 Subtitle II, Part B of federal statute may request to provide oral or written information to students in a public school. Schools should make a good faith effort to accommodate the request. The school district may request a background check of the representative, may deny that representative's request if there's any felony on that person's record, and the cost of that check is on the organization's dime. I want to emphasize that this bill is limited to those organizations listed in federal law and are congressionally chartered, nonpolitical organizations that have encouraged character development and community service. This includes organizations like the Girl Scouts, U.S.A., Boys and Girls Clubs of America, Big Brothers and Sisters of America, Boy Scouts of America, and the FFA. I have a list which I will provide to the page to distribute of those organizations, please, under federal statute is a handout. You will see that these are well-established, well-respected mainstream organizations that have a proven record of building character of our youth and providing a positive impact in our schools and communities. These organizations are cornerstones and iconic with our shared American experiences. LB805 is modeled after similar legislation passed in eight other states. We chose to bring this legislation because school districts face legal challenge when outside groups wish to enter. The First Amendment and related case law prohibits viewpoint discrimination. This means that a public entity risks a lawsuit if they allow one group special permission and deny another group. In response, many school districts have chosen not to allow any outside groups in at all. This bill gives districts the flexibility and clarity to allow congressionally chartered groups in without potential legal risks. On hand today, we have representatives from some of those honored organizations that will explain the importance of this bill to them and to our students. I will also note that you should have a letter of support from the Gretna Public School District, among others. And I would like to thank the many parents who have contacted you about this bill. I think it speaks to how valuable these groups are to our schools and our children. Passing this bill will accomplish several very good things. First of

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

all, it will grow character and integrity in our youth. Second, we know the character is contagious and the impact of these kids will be felt by the administrators, the teachers and other students, and will result in increased test scores, higher graduation rates, and better citizens graduating from our public institutions. Lastly, these great impacts come at zero cost to the school systems and taxpayers as these organizations are self-funded through charitable giving. These groups are terrific partners with our schools. We need to do all that we can to utilize their programs to positively impact our youth and our communities. LB805 is a great way to strengthen, need and relate-- needed relationships with school communities with supportive volunteer organizations like TeamMates, which is widely allowed in schools. Let's continue to encourage and foster these wholesome, dynamic relationships with these organizations and encourage those future leaders who might sit where we do one day. I'm certainly open to suggestions on how we can accommodate the concerns of the few opponents of this bill and will listen to those. We've been discussing some amendment options with those, those who are neutral and will consider those also. I do have an amendment to pass out also, the pages would grab those, please, which clarifies that the, the meeting times for these organizations would happen during noncurricular time. So the school districts don't give up any, any of their teaching time to any outside organization. So with that said, I will be happy to address any questions.

MURMAN: Thank you, Senator von Gillern. Any questions at this time?

CONRAD: I have some.

MURMAN: Yes, Senator Conrad.

CONRAD: Thank you, Chair Murman. Good to see you, Senator von Gillern. Welcome to the Education Committee.

von GILLERN: My first time.

CONRAD: I'm trying to-- and it sounds like one of the things that I was worried about, and it sounds like maybe the amendment that you're passing around helps to address it was just kind of the volume. Like, once you provide for access, you know, just how do administrators or teachers or students, for that matter, just kind of fit that in to the limited amount of time that they have for their, their studies and things like that. So it seems like maybe the amendment addresses some of those things. And just as I'm reviewing it quickly, would you

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

think-- is noncurricular time, would that be, like, then before school, after school, lunchtime, recess?

von GILLERN: Bingo. All of the above. Yes.

CONRAD: OK.

von GILLERN: Yeah. Yeah.

CONRAD: OK.

von GILLERN: Those are perfect examples. And the-- just again, I think the word that's real important here, this is not to provide privileged access,--

CONRAD: OK.

von GILLERN: --it's really-- what we're really trying to do is add clarity because so many of the, the school leadership are so confused about what they can and can't do. And so they just say we're not going to allow anything. Well, that's, that's not the best scenario, in my opinion, because there are some great organizations that can do great things with our kids. And again, the beauty of this, and I'm-- for those of you who have had the privilege or the burden of knowing me, is I'm a fiscal conservative and, and to have this benefit be provided to our kids at no cost to the districts is, is outstanding. And, and, and some of the best advocates for, for these organizations are the teachers that have seen the impact of these-- that these groups have had on their kids and then the net impact of that on other kids in their classrooms. And when we know that student behavior is such a challenging thing for students-- or for teachers right now, I just really feel passionate about getting this done.

CONRAD: OK, that's helpful. I know-- you know, we have two little kids in Lincoln Public Schools and I'm always kind of in awe and a little overwhelmed at, like, the amount of information that comes home in their Friday folders or the emails or the robust offering of after-school clubs and programs. And so-- and I know not every district has the same experiences as we do in Lincoln for, for different reasons. But I, I-- and I know the Cub Scouts and other folks participate in our schools and our kids can join up with Girl Scouts or things like that if they want to. So I'm just trying to kind of figure out, like, the right balance between the local control piece and kind of the state mandate piece. And then, you know, also what's the appropriate role for if these aren't available at school for parents to expose their, their children to other groups that

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

maybe they want them to engage with? So I'm just trying to work through some of those issues.

von GILLERN: Yeah, no, yeah, all great questions. One of the things that, again, just had additional clarity on what this provides for is a conduit for information. It's this-- this bill does not ask for use of the school building. Those are separate conversations.

CONRAD: OK.

von GILLERN: All those kinds of things are really separate conversations. So it's a means, like you said, of disseminating so you have more things coming in your Friday folder to, to, to digest.

CONRAD: Yes.

von GILLERN: But it's, it's a means to get that information to the parents so that they can make good decisions about their kids. And one thing that I failed to mention is this disproportionately, probably not the right word, it benefits families of lower means to, to a great degree. Because, again, these-- most of the organizations, just about all the organizations that I mentioned, are funded by private charitable contributions. And, and so many of those programs are at, at free or reduced cost, particularly to the marginalized families.

CONRAD: OK. That's helpful.

von GILLERN: Yeah.

CONRAD: And I just begin-- I really appreciate it--

von GILLERN: Thank you.

CONRAD: --and will, will dig in and I have to run to Retirement in a minute so I might not be here for the--

von GILLERN: Thank you.

CONRAD: --whole hearing, but--

von GILLERN: Thanks for your questions.

CONRAD: --appreciate continue working on it. And I do just want to think through like if you say that the goal is really the, the oral information or the dissemination of information, that's, I think, a different strain because I'm also, you know, hear continually from

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

teachers and the kids that they already have really limited time for recess. Right? We're ratcheting back that movement and activity so that we can fit more learning into the day. And, you know, I would just-- we don't want to take any recess away from anybody.

von GILLERN: Yeah. Yeah.

CONRAD: We'd all get in trouble with that.

von GILLERN: I would not have been happy about that either.

CONRAD: That'd probably be a bipartisan [INAUDIBLE].

von GILLERN: If you happen to miss it, let's, let's touch base later--

CONRAD: OK.

von GILLERN: --and add clarity to that because I think what we're talking about is once or twice a year, a, a small time segment. So-- and we're not talking about weekly or monthly--

CONRAD: Thank you so much.

von GILLERN: --on top of that, so. Thank you.

CONRAD: Appreciate it.

MURMAN: Any other questions for Senator von Gillern? OK, thank you.

von GILLERN: Thank you.

MURMAN: Any proponents for LB805? Good morning.

MEGAN WRIGHT: Good morning. My name is Megan Wright, M-e-g-a-n W-r-i-g-h-t. In May 2011, my kindergarten son brought home a flier from school about a Cub Scout open house. My family didn't know anything about, about Scouts, but we went and he joined. I became a Cub Scout parent and a leader for his den, working with the same 8 to 12 boys from first grade through fifth grade. I continued to volunteer when he graduated to a troop in 2016, attending campouts and serving on the troop committee. In 2019, I became a scoutmaster of one of the first Scouts BSA troops for girls ages 11 to 17. Both as a parent and as a leader, I have witnessed the benefits of scouting. First, Scouts provides an opportunity for families to do activities together that they may not have otherwise done. Anything from science projects, community service, and building pinewood derby

cars, to hiking and camping. So many of us are glued to our screens and Scouts offers a reason to set down the phones and the tablets and to focus on something else together. And that was certainly true for my own family. Second, Scouts promotes community, civic responsibility and life skills, both within the pack and the troop and in a broader sense. Scouts learn about their duty to others, including values such as being trustworthy, kind, friendly, courteous, and, of course, all about service projects, learning about how government works, including meeting and talking with a government official and attending a public meeting or court proceeding is built into the structure of the program. Among other skills, Scouts learn first aid, budgeting and project planning, which are lessons that they carry into adulthood. Scouts teaches young people to be leaders, giving them a safe place to try and fail and to try again. Adult mentors lead by example and coach Scouts as they take on leadership roles for a project, for their den, or for their troop. Helping a Scout think about what worked and what didn't work, and, and what could be done differently next time pushes forward a Scout's critical-thinking skills and builds confidence in their ability to be successful despite imperfect results. I talked with a lot of Scouts and Scout parents over the years, and their words are more powerful than anything that I can tell you. A Scout parent whose teenage Scout has autism told me her Scout would never have gotten a job had she not gained the, the confidence to do so in Scouts. A young Scout who struggled socially at school told me, I like Scouts because people are nice to me here. A Scout who perhaps didn't have strong role models in other areas of her life said Scouts made me realize I could be a better person. And finally, a Scout was asked at her Eagle Board of Review to describe scouting in a single word. Her answer was life-changing. Before a flier that came home from school, I would not have heard those words and I would not be sitting here today. Thank you.

MURMAN: Any questions for Ms. Wright? If not, thank you very much. Any other proponents for LB805?

NICHOLE VESELY: Good almost afternoon, everyone. My name is Nichole Vesely, N-i-c-h-o-l-e V-e-s-e-l-y, and I am the outreach manager for Girl Scouts Spirit of Nebraska. I have ten staff statewide that lead outreach troops and after-school programs just so you know where I'm coming from when I speak about Girl Scouts. I'm here to testify in support of LB805 on behalf of Girl Scouts Spirit of Nebraska. As an outreach manager, an outreach specialist, and a troop leader myself, I've seen firsthand the positive impact Girl Scouts makes for girls. The mission of Girl Scouts is to build girls of courage, confidence,

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

and character who make the world a better place. Through the Girl Scout leadership experience, girls develop the competencies to accomplish big things. The Girl Scout leadership experience is comprised of four pillars: STEM, outdoors, life skills, and entrepreneurship. Through this unique hands-on, experience-based curriculum, girls learn leadership and life skills that prepare them to use their voice to improve their communities, including their school communities. Just like I'm using my voice now, you can tell it might be a little shaky because I'm not used to testifying, but I love that I can lead by example today. Girls-- Girl Scouts builds the essential skills needed in today's classrooms and workplaces, including sense of self, positive values, challenge thinking, healthy relationships, and community problem-solving. Girl Scouts is one of the federally chartered nonprofit organizations contemplated by LB805. For the past over 110 years, Girl Scouts has provided girls the opportunity to explore new possibilities, ignite their curiosity, and build a belief that they can do anything. With nearly 1.5 million current members and 60 million alumni, Girl Scouts unites girls and women across distance and decades through lifelong friendships, shared adventures, and the desire to make the world a better place. Girl Scouts established itself in Nebraska in 1926 with the formation of troops in Omaha. From there, Girl Scout councils sprung up westward across the state, providing hundreds of thousands of Nebraska girls equal access to Girl Scouting. Today, the Spirit of Nebraska council spans 92 Nebraska counties and provides the Girl Scout leadership experience to over 10,000 girls annually. I'm in full support of LB805, which will require schools to work with Girl Scouts and other federally chartered organizations to provide access to promote their programs to students and families. Schools are a critical partner for Girl Scouts. Schools that embrace Girl Scouts by providing space for troop meetings and allowing promotion of Girl Scouts at schools have a strong partner and together we enhance the school community. Having access to communicate the benefits of Girl Scouting to families through schools will grow women leaders in our communities for the future. All three female secretaries of state in the United States are former Girl Scouts, and 60 percent of the women in Congress were once Girl Scouts, too. In addition to benefiting Girl Scouts and girls, a partnership benefits schools as well as we regularly provide Girl Scout staff to support school events such as parent-teacher conferences, book fairs, science fairs, and more. Some schools have never allowed Girl Scouts in and LB805 would allow the opportunity for that to happen throughout the state. Thank you so much for your time and let me know if you have any questions about Girl Scouts.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

MURMAN: Any questions for Ms. Vesely? Thank you very much.

NICHOLE VESELY: Thank you.

MURMAN: Any other proponents? Good now afternoon.

ELLIE MEHAFFEY: Hello, everyone. My name is Ellie Mehaffey, E-l-l-i-e M-e-h-a-f-f-e-y. I'm from Elkhorn, Nebraska. I'm 13 years old and I'm a life Scout with Troop 1885. My scouting adventure started in 2018, ever since girls were allowed to join. I was in third grade, and thanks to my dad, I knew what Scouts was and all the remarkable things that it, it does. But not everyone has someone in their life who knows what scouting is. I've learned so much from Scouts BSA, been given incredible opportunities, not just to see and learn from leaders, but I've become one myself. I've gained life skills that I will carry with me for the rest of my life. I've been able to grow and learn thanks to amazing adults that put a pause on their life to pour the powerful and strong message that scouting brings. Scouts are able to gain life skills like first aid, knots, and how to survive in the wild alone, which have all given me confidence and more self-reliance. Because of Scouts, I have been given the knowledge on how to respond to difficult situations. I've watched 11-, 12-year-old kids face their fears and climb a 50-foot rock wall. Most importantly, I've watched Scouts come together to help one another and to encourage one another. Scouts are put in circumstances where we get to serve our communities and learn how to put others before ourselves. I cannot imagine what Scouts-- what I could do without Scouts. The message scouting holds needs to be spread. Kids and adults need to be able to know what scouting BSA is, and schools are amazing environments to spread its message. More and more people need to be led down the scouting trail. Thank you.

MURMAN: Thank you, Ellie. Any questions? If not, thank you. Great job. Any other proponents? Good afternoon.

DONALD NIMNEH JR: Good afternoon. My name is Donald Nimneh Jr., D-o-n-a-l-d N-i-m-n-e-h J-r. I am, I am a Boy Scout. I am with Troop 76 in midtown Omaha, and I am a life Scout. Scouting has helped me a lot with my journey. I joined ever since I was in first grade and I met new people. I came to a new school a year before that, and then with scouting I was able to meet new people and I created friendships that I still have to this day. Scouting has taught me a lot of things. It's taught me how to be a leader. It's taught me, taught me how to be a leader. It's taught me how to make friendships. It's taught me how to face my fears and others things like that. Scouting

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

has also taught me how to face situations in the real world, in the real world such as personal finance, management, fitness, camping, and hiking. Scouting has helped me with a lot. It's also helped me with my education by teaching me a lot of different things. So I, so I just want to come up here and say today that scouting has helped me with a lot of things. And I believe that other people should join because it will help you throughout your life and then it will give you friendships that you will have to this day. Thank you.

MURMAN: Thank you, Donald. Impressed you did that all from memory. Any other questions-- any questions?

ALBRECHT: Good job.

DONALD NIMNEHJR: Thank you.

MURMAN: Thank you very much. Good job. Good afternoon.

DAVID PLOND: Good afternoon, Chairman and Education Committee. My name is David Plond. I'm the executive director and CEO of the Overland Trails Council, the Boy Scouts.

MURMAN: Could you spell your name, please.

DAVID PLOND: P-l-o-n-d.

MURMAN: Thank you.

DAVID PLOND: We cover 44 counties in central and western Nebraska. I grew up as a term called a "latchkey child." You all know what that term was. My mom and dad went to work prior to me getting up to go to school, and they returned home after I got out of school. A flier came to me and someone talked to me about joining Scouts, and I joined Scouts. I became an Eagle Scout. And I've worked for this wonderful organization now for almost 40 years. I've seen the difference that it makes in young people's lives. I've seen what it does for schools, for communities. The amount of service projects done by young people. It's a tremendous benefit. The fact that schools and Scouts work together to build great citizens is what we're about. And I strongly encourage that you pass LB805 to help the future of our kids in central and western Nebraska and of all Nebraska. Thank you.

MURMAN: Thank you, Mr. Plond. Oh, hold up. Any questions?

DAVID PLOND: Sure.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

MURMAN: If not, thank you very much. Good afternoon.

CHRIS MEHAFFEY: Good afternoon, Senator Murman, committee. My name is Chris Mehaffey. I'm the proud father of Ellie Mehaffey, who you have just heard from and also have the privilege of being the Scout executive and CEO of the Mid-America Council. The bill that--

MURMAN: Excuse me. Would you mind spelling your name?

CHRIS MEHAFFEY: Sure. C-h-r-i-s M-e-h-a-f-f-e-y. I can remind her to do it, but then I didn't do it. Senator Sanders introduced this legislation last year and we ran out of time. So it was kind of Senator von Gillern to reintroduce it this year. The bill does a couple of things. It allows Title 36 organizations to come in once a year at the superintendent's discretion. The amendment that was passed around during noncurriculum time means that time before school starts, during lunch, which is we're giving kids a chance to eat, but they can also take in information at the same time, during P.E., or in the after-school hours. We do not want to interrupt the school day and it's only once a year. These organizations were also protected under the No Child Left Behind Act in 2001 that was passed by-- introduced under George Bush and under the Department of Education. This falls under the Civil Rights protection code there. We don't want to be adversaries of our local schools. We want to be able to work with our local schools and have protections for our superintendents and our school boards in order to be able provide an opportunity for Title 36 organizations to hear about the good work that is being done in our communities. Just yesterday, Governor Pillen introduced and talked about mentoring in a room on this floor and declared that February be Nebraska's mentoring month. All of these Title 36 organizations, the youth-serving ones, provide mentoring in a way, whether it's group mentoring like the Girl Scouts or the Boy Scouts or like TeamMates in a one-on-one environment. So what we really seek from you is the support of LB805 in order so that we can continue to have conversations in schools once a year in order to be able to have more children involved and have a greater impact on our communities at large.

MURMAN: Thank you. Any questions for Mr. Mehaffey? Senator Albrecht.

ALBRECHT: I know my question is between us and lunch, so. But there is 94 different chapters, have you ever had trouble getting into public school--

CHRIS MEHAFFEY: Yes.

ALBRECHT: --in the state of Nebraska?

CHRIS MEHAFFEY: Yes, ma'am.

ALBRECHT: OK. And so, I mean, I'm looking at these and think, my goodness, there's something for everyone. So I would wonder how we would implement this and have, like, one big day of vendors kind of like they do for Career Day, you know, this gives everybody a [INAUDIBLE].

CHRIS MEHAFFEY: That's a really good idea. The way this has worked in the eight other states is it's up to the local organizations and the superintendents of the schools in order to decide the day. We've-- I've learned from former superintendent in Millard schools that the first two weeks are the most ideal to come because they're doing review as they're getting ready to get into the new curriculum for the year. If we can go during noncurriculum time, that would be best. But Mr. Sutfin-- Dr. Sutfin was concerned about letting Scouts-- so the Girl Scouts in about what other organizations would come.

ALBRECHT: [INAUDIBLE] others.

CHRIS MEHAFFEY: Correct. And, and in, in reality, Senator, there's probably four or five that will come and have a conversation. But scheduling those all in the same day so that it's not disruptive to the school during noncurriculum time would, would be best. And the impact that we have as Senator von Gillern already mentioned about good behavior in classrooms and more parental involvement and those type of things are things that all of our teachers need.

ALBRECHT: Yes. Very good. Thank you.

MURMAN: Any other questions? If not, thank you. Good afternoon.

CHRIS TOINTON: Good afternoon. Thank you for having me. I'll be quick because my stomach will probably interrupt us anyway from growling. My name is Chris Tointon, C-h-r-i-s T-o-i-n-t-o-n, and I'm from Papillion, Nebraska, and I'm here to support-- voice my support for LB805. I've been leading organizations, youth development organizations for over 30 years. You may-- some of you may recognize me as the former CEO of the YMCA of Greater Omaha. I now consult with youth organizations throughout the country, including the Scouts. And you've heard a lot from Scouts today, and I think it's important, but I think it's also important to hear from somebody who represents a lot of different youth-serving organizations. I'm a huge proponent of the value of public and nonprofit collaboration can bring. We proved

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

it in so many ways, especially during COVID. Many organizations like mine jumped in to make sure teachers had childcare for their kids so they can continue to teach everybody else's kids. We did an amazing program, collaborated with Omaha Public Schools, where we provided fresh fruit and vegetables to every single family in a time of need. And then in OPS as well, we recently opened two new high schools that have complete YMCAs built right in. We were able to do those things because of the dedication of the districts to make sure kids had resources no matter what. However, not every district across the state has, has that ability, and not every district has the safety net of a bill to protect them from these bad actors. Youth today are facing challenges like we've never seen before. The achievement gap is getting worse and worse and wider and wider, especially during and after COVID. LB805 is a great step towards removing a critical barrier for kids to access proven, dedicated screen programs that increase civic engagement and build important life skills like you heard from the students. Many of us come from homes that have tons of information. I wish Senator Conrad was here. She mentioned she gets lots of fliers, people like us who have access to these, we search those out, we look through those, and we find great organizations. What we want to do is remove a barrier for kids who don't have that in their family. The kids need to hear from these programs. They need to know they're available and they need to be able to take that home to their parents. That's really critical portion of this is to break that barrier down. And this bill doesn't take away from the already great collaborations that are happening, the ones I mentioned, the ones that are being forged every day in the state. But it does make sure organizations like Girl Scouts, Boy Scouts, Red Cross, Future Farmers, Boys and Girls Club are at the table to help kids learn, grow, and succeed. So thank you for having me.

MURMAN: Thank you. Any questions for Mr. Tointon? If not, thank you very much. Any other proponents for LB805? Any opponents for LB805?

COLBY COASH: Good afternoon, Chair Murman, members of the committee. My name is Colby Coash, C-o-l-b-y C-o-a-s-h. I represent the Nebraska Association of School Boards. I'm also testifying today on behalf of the Council of School Administrators. Our opposition today, and I want to be clear about this is not about the Boy Scouts of America. They are a, a honorable, fine organization, and we are not here opposing the work that they do. Our opposition stems from the fact we feel this is unnecessary. If you heard one of the first testifiers in support, she said she got a flier as a parent back from her student. If you survey districts across the state there, there is interaction between the Boy Scouts of America and the Girl Scouts and their

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

districts. Some school districts have made the decision to say, we don't allow this, so I'm not going to sit here and say that there is access for the Boy Scouts in every district, but there is access and then there's access happening as we speak in the largest school districts in the state and some of the smaller school districts in the state. And so we-- what that tells us is that there is a path because the Boy Scouts have found a path into large schools. They found a path into small schools. And that's been done at the local level, which is where we, we would like to keep it. We would like-- we feel it's important to preserve the role of the school board and the administration to set its own parameters regarding who has access to students, what organizations, what individuals. And as the bill states, it's not just materials, it's also oral, right, so that requires a presentation. And so we are-- again, this is not about the Boy Scouts. We just want to preserve the role of the local board to determine who should have access to students. Boards govern this through their policy. There's a, there is a, there's a variety of different policies that schools have that, that address this issue, which boards adopt, which they take public comment on when they adopt them. And so we feel that's the most appropriate mechanism for the outcomes of this bill to be realized. And I'll end my testimony there. Thank you.

MURMAN: Any questions for Mr. Coash? Senator Linehan.

LINEHAN: Thank you, Chairman Murman. Mr. Coash, could you provide the committee with a list of schools that do let the Boy Scouts come in for an hour once a year or let them hand out fliers and those who do not?

COLBY COASH: I could try. I think the Boy Scouts would be easier. They they could also tell you the districts that they're in.

LINEHAN: But it would be more-- you have-- you-- I mean, it seems odd that some do and some don't. I'm just trying to figure if it's 50 percent of them do or 50 percent of them don't or what's the numbers and who's doing what.

COLBY COASH: I think anecdotally I can share with you that it's happening in the metro area and it's happening in rural Nebraska. And then within that, the schools that do have a relationship, it ranges from, hey, can you have-- make available in the hallway fliers about meetings? Can we post a, a troop meeting announcement to all the way to a formal--

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

LINEHAN: OK, how about if I--

COLBY COASH: --assemble, right?

LINEHAN: --ask this question, can you provide a list of the schools that will not let the Boy Scouts come in for one hour?

COLBY COASH: I can try.

LINEHAN: Thank you.

MURMAN: Any other questions for Mr. Coash? If not, thank you very much.

COLBY COASH: Thank you.

MURMAN: Any other opponents for LB805? Good afternoon.

CARINA McCORMICK: Hi, my name is Carina McCormick, C-a-r-i-n-a M-c-C-o-r-m-i-c-k. I actually went back and forth a little bit about whether I was going to testify as a neutral or opponent. Mostly, I wanted to bring some information about this list. My real problem with the bill is this, this list. This is not a living document. They've stopped accepting, for the most part, new groups into it into the '90s. And never was this list intended as an imprimatur. So that was kind of the, the thing is that people think this is the government saying this is a good group for our, for our country and our students and our youth. It's just a list that met some bureaucratic requirements and importantly, it met those requirements whenever that group happened to have been approved onto the list, could have been the '60s. A lot of these groups don't even exist, and nobody does a continual review of these groups to determine if the current message of the group is still something we want in schools. What are you laughing at?

ALBRECHT: He's coughing a lot.

CARINA McCORMICK: Oh.

ALBRECHT: Maybe he needs water.

CARINA McCORMICK: OK. People say my, my testimonies are funny and they like that. But that wasn't one of those moments. You know, so one of my friends brought up, like, what if there's a LEGO nonprofit? Why can't they come? This group actually doesn't really very well reflect what students today need. This is a list from, like, the

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

'70s. And by requiring that schools allow any group that happens to be on this outdated list into schools, it actually works very far against some of those other bills that you are having about parents being the ones who should get to determine the information that is given to their students, like these bills for parents having a right to curricular review, this is very contradictory to that. And I just, you know, I want to note, I don't know how much all of you like Frederick Douglass. I don't know what the Frederick Douglass group is currently up to these days. I don't know how extreme it's gotten, but like things like that are on the group. And by this particular law that requires schools to allow any of these groups into their school, I really don't think that is what you all probably intend to be done. To be perfectly honest, this group's testimony really convinced me that we should change this bill and say schools should allow Boy Scouts and Girl Scouts in, you know, like they really convinced me Boy Scouts and Girl Scouts are great. So, so let's do that. But what about these other 90 groups? Like, we're not going to go through one by one and it removes the school's power of being able to go through one by one, even if every parent in the school is against the group. This law would require that that school make those-- that group be able to come in and talk to the students. And I don't think that that is consistent with most of your beliefs, actually. So I wanted to point that out as a flaw in the law-- in the bill. Thank you.

MURMAN: Any questions for Ms. McCormick? If not, thank you very much.

CARINA McCORMICK: Thank you.

MURMAN: Any other opponents for LB805? Anyone want to testify in the neutral position for LB805? If not, Senator von Gillern, you're welcome to close. In the online comments, we have four proponents, four opponents, and zero neutral.

von GILLERN: As was pointed out, I'm the only thing standing between all of us and lunch so I'll be brief here. I think one of the words I used in my opening and maybe in the first sentence was that we're hoping to add clarity. For lack of clarity, particularly in a public environment, the answer to a question is typically no. And so what we're trying to do is provide clarity to these superintendents, to these districts about what they can do. Frankly, I don't think the Frederick Douglass society has been pounding on anybody's door to hand out information to kids. But maybe I'm wrong about that. But so I think there's certainly just a handful of organizations that have been proactively pursuing this option to, to reach out to kids about some phenomenal and, and terrific opportunities to, to, to truly

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

change their lives. One of the, the, the things that was mentioned was that in as far as in opposition was that this is unnecessary and some parents got a flier. Well, those parents are kind of the lucky ones. I've had parents that have emailed me about this bill and about some other school-related bills that have talked about how fantastic their school districts are. Well, that's great for them, but it's not that way for everybody. So, again, what this bill would do is-- or this, this law would, would add clarity to what districts can and cannot do. And it would give the opportunity to reach more kids with great opportunities to grow them to be terrific and productive citizens. Governor Pillen's press conference was mentioned yesterday. Tom Osborne spoke in that. And in typical Coach Osborne fashion, he shared some, some statistics that were pretty staggering in a very humble way. But he said mentoring has proven to provide a nine to one return on social costs. For every dollar spent on building character and integrity in kids, it provides a \$9 return. That's, that's \$9 saved in social expenses, whether it's welfare, whether it's Medicaid, whether it's incarceration, those kinds of things. So to, to be able to, to, to spend that \$1, particularly when it's not a tax dollar or a school district dollar. Again, these, these organizations are providing these services to the districts and to the kids and to the families at no cost to them, which, which just to me makes it a no-brainer. But with that, I'll close. Like I said, I, I don't want to ramble on and on. You can tell that I'm passionate about this topic and happy to take any questions.

MURMAN: Thank you. Any questions for Mr. von Gillern? Senator Sanders.

SANDERS: Thank you, Chairman Murman. Senator von Gillern, thank you so much for bringing this bill forward. It's a good bill. I think I'm a product of that. I was a Girl Scout and a cadet, and it's taught me lifelong lessons. It's, it's from what I understand, the Scouts when they go into the school is, is very much self-responsible. Right? They don't, they don't, I don't think ask the schools to print fliers for them,--

von GILLERN: No.

SANDERS: --ask them for water, ask them for-- so, so what would be the negative of why they wouldn't be allowed in schools?

von GILLERN: I'm having a hard time finding the negative.

SANDERS: Yeah.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

von GILLERN: Yeah, I, I really am. And, and one just additional, and I keep trying, I keep landing on the word clarity. The-- there are districts that have not given direction to the schools. And what has happened in those situations is, again, it's been left up to individual principals. And there are districts where some principals in that district have said yes, some have said no. So then you have to go pursue the principals on a one, one on one, trying to, trying to convince them. But I, I don't see-- if we were asking for curriculum time, yeah, I could, I could see resistance, but this is nothing but good for the districts, for the teachers. I mean, my heart just goes out. Every time when I was campaigning and I, I'd cross-- come across a teacher, I just told them, I said, all right, I'm, I'm on a total time-out. I'll listen to as much as you have to tell me about your world right now and what you're up against and, and anything we can do to, to increase the, the, the character and the integrity and improve the behavior of kids in the classroom. And again, that's contagious. It's-- bad behavior is contagious. Good behavior is contagious. So we want to do all we can for those teachers.

SANDERS: Thank you.

von GILLERN: Yeah. Thank you.

MURMAN: Any other questions? Yes, Senator Albrecht.

ALBRECHT: Thank you, Chair Murman. And thank you for bringing the bill as well. So that list that you gave us with 94 different chapters of different organizations certainly is not your intent that all 94 would be able to come into all of our schools because the bill does say they shall listen to, they shall, they shall, they shall, so--

von GILLERN: Yeah, but the bill says that those, those organizations would be candidates to be allowed, they would qualify to come into the schools. Yes.

ALBRECHT: And that would be local control if they wanted to decide to have a dozen of them come in on one particular day and--

von GILLERN: Yeah, nothing about this bill declares the how--

ALBRECHT: OK.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

von GILLERN: --the how to-- that would be up-- that would be-- have to be determined by the school district working with each organization. Yeah.

ALBRECHT: Very good.

von GILLERN: Yeah.

MURMAN: Any other questions? If not,--

von GILLERN: Thank you all.

MURMAN: --thank you. Thank you very much. That will conclude the hearing for LB805.

MURMAN: Welcome to the Education Committee public hearing. My name is Dave Murman. I'm from Glenvil, Nebraska. I represent the 38th District, which is eight counties along the southern border in the middle part of the state. I serve as Chair of this committee. The committee will take up the bills in the order posted outside of the hearing room. Our hearing today is your public part of the legislative process. This is your opportunity to express your position on the proposed legislation before us today. We do ask that you limit handouts. This is important to note: if you are unable to attend a public hearing and would like your position stated for the record, you must submit your position and any comments using the Legislature's online database by 12 p.m. the day prior to the hearing. Letters emailed to a senator or a staff member will not be part of the permanent record. You must use the online database in order to become part of the permanent record. To better facilitate today's hearing, I ask that you abide by the following procedures. Please turn off cell phones and other electronic devices. The order of the testimony is introducer, proponents, opponents, neutral and closing remarks. If you will be testifying, please complete the green form and hand it to the committee clerk when you come up to testify. If you have written materials that you would like distributed to the committee, please hand them to the page to distribute. We need 11 copies for all committee members and staff. If you need additional copies, please ask a page to make copies for you now. When you begin to testify, please state and spell your name for the record. Please be concise. It is my request that you limit your testimony to three minutes. If necessary, we will use the light system; green for two minutes; yellow when one minute remains; and red, please wrap up your comments. If your remarks were reflected in previous testimony or if you would like your position to be known but do not wish to testify,

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

please sign the white form at the back of the room and it will be included in the official record. Please speak directly into the microphone so our transcribers are able to hear your testimony clearly. I'd like to introduce the staff. To my immediate right is John Duggar, legal counsel. Also to my right at the end of the table is committee clerk, Kennedy. The committee members with us today will introduce themselves, beginning at my far right.

SANDERS: Good afternoon. Rita Sanders, representing District 45, which is the Bellevue-Offutt community.

LINEHAN: Good afternoon. Lou Ann Linehan, representing District 39, which is Elkhorn and Waterloo in Douglas County.

ALBRECHT: Hi. Joni Albrecht, District 17: Wayne, Thurston, Dakota, and a portion of Dixon County in northeast Nebraska. Welcome.

WALZ: Good afternoon. My name is Lynne Walz-- out-of-breath Lynne Walz-- and I represent Legislative District 15, which is Dodge County and Valley.

BRIESE: Good afternoon. Tom Briese. I represent District 41.

CONRAD: Good afternoon. I'm Danielle Conrad. I represent north Lincoln's Fightin' 46th Legislative District.

MURMAN: And I'd ask our pages to stand up and introduce themselves and tell us what they're studying and where they're studying.

PAYTON COULTER: My name is Payton. I'm sitting prelaw at the University of Nebraska-Lincoln.

TRENT KADAVY: Trent. I'm also at the University of Nebraska-Lincoln studying political science.

MURMAN: Please remember that senators may come and go during our hearing, as they may have bills to introduce in other committees. Refrain from applause or other indications of support or opposition. For our audience, the microphones in the room are not for amplification-- amplification, but for recording purposes only. And with that, we will begin the hearing for LB583 by Senator Sanders.

SANDERS: Good afternoon, Chairman Murman and committee members. For the record, my name is Rita Sanders, R-i-t-a S-a-n-d-e-r-s, and I represent District 45, which includes much of the Bellevue-Offutt community in eastern Sarpy County. Today, on behalf of Governor

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

Pillen, we are introducing LB583 to invest in the future of our children. This bill would infuse \$270 million into our schools through two avenues, which I will explain. First, I want to thank Governor Pillen and his extraordinary team for all the great work that they are doing. Before the Governor took office, Governor Pillen committed to hearing every perspective of our school funding issue. He and his staff worked around the clock to develop a proposal for a groundbreaking investment in our education system and I would like to recognize his work. Thank you, Governor. For many years, our system of school funding, known as the Tax Equity and Educational Opportunities Support Act, or TEEOSA, has been inadequate. As a result, property taxes have skyrocketed, chasing residents out of state and financially challenging those who stay. This package is a great first step towards fixing TEEOSA. The specific-- my piece of this pact-- package will do two things. First, it creates a new component within the existing formula. This component is simple. We invest in every child, providing \$1,500 per public school student in a found-- in foundation aid. Unequalized schools will be helped the most of this part of the proposal. An estimated 180 districts would receive an increase in aid. The second part of the proposal increases state support for special education. Unlike the first component, this will function outside of the existing formula. We propose a new statutory provision that 80 percent of special education funding be covered through a combination of federal and state funding. In our discussions with Governor's school finance reform working group, we heard that there was a desire as, as a member put it, lift all boats. Under this plan, no district will receive less aid than they do today. This policy will help build unequalized schools and equalized schools. It will also lessen the burden on property taxpayers when combined with Senator Briese's revenue cap bill, LB589, and Senator Clements' education trust fund bill, LB681. These bills work together. Finally, I would like to address the amendment in front of you. AM194 was brought by the Governor's team in response to the concerns about the role option enrollment plays in the TEEOSA formula. An Omaha World-Herald article published on January 31 pointed out that some schools would benefit heavily from collecting both option enrollment benefits and foundational aid for these same students. This amendment addresses that concern and the Governor and his team can address the specifics. Thank you for your time and attentiveness and I'll do my best to answer any questions that you may have. And some questions may be deferred to the Governor and his team. Thank you. Are there any questions?

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

MURMAN: Any questions for Senator Sanders? It's not, we'll ask for proponents for LB583. Welcome, Governor Pillen.

JIM PILLEN: Good afternoon, everyone. Thank you, Chairman Murman, for the opportunity to visit. And members of the Education Committee, really appreciate it. Everybody's fresh on Monday so that's good as well. For the record, my name is Jim Pillen, J-i-m P-i-l-l-e-n, and I have the incredible privilege-- never get normal-- of serving as the 41st Governor of Nebraska. It's just truly incredible. I'm here today to testify in support of LB583. I want to thank Senator Sanders for partnering with me and all of your work in bringing LB583 on my behalf. This bill is really pivotal to our education package. I also want to thank my team, headed up by Kenny Zoeller with PRO and Lee Will, who you'll hear from here shortly. They and their teams have really, really, really worked hard. We all agree in Nebraska, our kids are our future. There's nobody that doesn't agree with that. On December 1, we announced a school finance working group that consisted of all, all sizes of school representation: superintendents, stakeholders of Nebraska, and members of the Legislature. Senator Briese was a part of that group. Senator Sanders was a part of that group. And I'm probably overlooking somebody. But after listening to the educators, three things came out of those meetings that were abundantly clear: that people in the profession that work to make things to educate our children agree that we never, ever give up on kids. And yet, because of where our funding is, there is moments that that takes place and it's, it's, it's unacceptable. I think that the other would be that we Nebraskans in the state and the federal government have lacked supporting special education and children and needs. That's a hard one for all of us Nebraskans to accept. Probably we want to be in denial, but that's the facts. And then thirdly, that we just, we just must reduce the financial burden from property taxes face for our local schools. Nebraska ranks 49th in the state in funding education. Can't get much lower than that. So LB583 accomplishes these goals by doing two main things. First, it provides the foundation aid component inside the TEEOSA formula. This foundation aid would be \$1,500 per student. This is guaranteed funding for each and every student in Nebraska's public schools. The state has been listening to our education community. One of the largest complaints in the past has been that the state is not providing enough educate-- dollars into K-12 public schools. This is one step in addressing this issue. The state is promising to fund students at a minimum of \$1,500 per student. The second, as a proposal, is the supplemental special education funding. Just for way too long, Nebraska's public schools have not been receiving the

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

proper funding for their most high-need students. The federal government has failed in meeting the 80 percent funding level that was promised. It is time for the state to step up and fill the gap to these-- in helping these public schools and the students. This bill will provide supplemental funding for the K-12 schools to get them up to the 80 percent funding level that special ed students need. These kids need this. They deserve it. Additionally, we have an amendment to help address foundation aid following net option students. This amendment would simply subtract the foundation aid amount a school would receive for an optional student, making sure they are not compensated twice and equity is provided for all schools. With these two pieces, the state of Nebraska is making a huge investment in public schools. We're working to provide them with the funding necessary to educating all of our students. Nebraskans continue to agree that we can never, ever give up on a kid. It will remain my top priority as long as I'm your Governor that Nebraska's children are educated at a high level and that the state is investing in their education. I can't reiterate enough that this bill is a part of a package that's a really important piece of Senator Briese's LB589 and Senator Clements' LB681. These bills must all move together as a package. Thank you for the time to visit and I'll try to answer any questions. Director Lee Will will be after me, but I'll be happy to address any questions that I can.

MURMAN: Thank you very much, Governor. Any questions for Governor Pillen?

JIM PILLEN: Going to lot-- let me off the hook, Chairman. OK.

MURMAN: Thank you very much.

JIM PILLEN: Thank you all for your work. Appreciate it.

MURMAN: Good afternoon.

LEE WILL: Afternoon. Chairman Murman and members of the Education Committee, my name is Lee Will, L-e-e Wi-l-l, and I'm the State Budget Administrator for the state of Nebraska. I'm appearing today on behalf of Governor Pillen in L-- in support of LB583. Thank you, Senator Sanders, for introducing this important legislation. This bill represents substantial investment in the public K-12 education of nearly \$300 million annually. The education formula, known as TEEOSA, allocates just over \$1 billion, meaning this would signify an increase of nearly 30 percent in state support. This will substantially alleviate the local burden of supporting education.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

This investment in education is done two ways; first, by supporting our special education students by nearly \$150 million each year outside the TEEOSA formula. This figure will continue to grow as additional students and needs are assumed by school districts. The most financial benefit will be to equalized schools, with the Omaha Public Schools and Lincoln Public Schools receiving increased funding of \$226 million each, each year and Millard school district receiving an additional \$9.1 million each year. This proposal will also benefit every single school district within the state. The Governor's goal has remained consistent that we never give up on any kid. In addition to special education support, the bill provides for an additional \$1,500 per student inside the formula to ensure that no child is given up on. As the Governor indicated in his testimony, this increase will not apply to option enrollment students. This per-student investment will provide much-needed balance to our education funding model to ensure that each kid has a chance. This provision will largely benefit our nonequalized schools to ensure they also receive substantial state investment for educational needs that alleviate their tax burdens. I have provided the committee with a handout containing a district-by-district breakdown of how these aims will be scored on a financial basis. As you can see, each school district will receive substantially more funding to ensure that our kids are receiving a great education. It's time for the state to meet their end of the bargain in investing in our kids and it's time for school districts to do the same in lessening the property tax burden for all Nebraskans. This investment is part of a package that was discussed at the Governor's education finance reform meetings. Senator Briese's LB589, also introduced on behalf of the Governor, introduces a 3 percent cap in property tax growth to ensure that property taxpayers are not priced out of living in our great state. This also allows for a level of certainty for families to plan for their financial future. LB589 also allows for local control by allowing for a vote of the school board or a vote of the people to override these limitations. Funding for these proposals is contained in the Governor's budget proposal, with an infusion of \$1 billion in FY '23-24 and \$250 million each year thereafter. This funding is included in LB681, introduced by Senator Clements at the direction of the Governor. It is estimated that the fund balance at the end of '29-30 will be over a half a billion dollars in the Education Future Fund. The Governor will continually-- continuously monitor this balance to ensure solvency of this funding source long term. This bill is a truly transformational investment in K-12 education and will put our educators on the offensive. It's time to invest in our

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

kids and it's time to address the property tax burden. I'd be happy to take any questions.

MURMAN: Thank you, Mr. Will. Any questions? Senator Wayne.

WAYNE: So, so if I'm understanding this handout that you handed out, so pretty much all the equalized school districts-- and I'm subtracting the SPED increase funding-- are pretty much breaking even?

LEE WILL: Yeah. For the foundation aid component, the equalized schools will not receive benefit. They receive it on special education side, as you alluded to, Senator. So--

WAYNE: Why not, why not increase all?

LEE WILL: Well, for Omaha, for instance, they're receiving \$22.6 million for the SPED reimbursement. So it was a lever of looking at those equalized, the nonequalized schools. For the equalized, it was the foundation aid. For the nonequalized, it was a special education reimbursement. That's how you kind of hit both of those levers.

WAYNE: So let's take Westside for example.

LEE WILL: Yep.

WAYNE: Underneath this, they're going to receive-- well, I know the amendment is now added to help subtract the \$1,500.

LEE WILL: Correct.

WAYNE: But don't they come out ahead underneath even the education loan?

LEE WILL: So they don't receive equalization aid, to your point, Senator, so it would not get washed out through the formula on the foundation aid component. So Westside is anticipated on receiving around \$10 million. As I indicated previously, Millard is around \$9 million. Omaha and Lincoln, around 22.6.

WAYNE: Well, we're talking the special-- I'm talking-- I'm subtracting the special ed they're receiving about \$6.2 million, Westside is.

LEE WILL: Correct, yes.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

WAYNE: So even with the amendment, how is a kid in north Omaha worth less if they go to Omaha North than if they go to Omaha Westside?

LEE WILL: I mean, I wouldn't say that they're worth less.

WAYNE: Well, from-- but that's what we're saying--

LEE WILL: I mean--

WAYNE: --statutorily.

LEE WILL: Right now, the Omaha school district receives around \$300 million, right? And this would be another \$22 million. We would, we would work with you, Senator Wayne, to address anything if you feel this is inequitable. I feel that's part of the committee process is kind of sharpen our pencils, if you will, so.

WAYNE: I appreciate that. Thank you.

LEE WILL: Sure. No problem.

MURMAN: Any other questions for Mr. Will? Senator Briese.

BRIESE: Thank you, Chairman Murman. Thank you for your testimony here today. The fiscal note is showing expenditures of \$366 million in '24-25. That doesn't take into account the reduction in TEEOSA aid attributable to the increase in SPED funding, correct?

LEE WILL: Well, I think--

BRIESE: That's not, that's not the net cost there to the state is the point.

LEE WILL: I believe Bryce-- or with Department of Education, Bryce Wilson scored the fiscal note. I believe we need to sit down with them to see what-- the assumptions that went into the fiscal note. My understanding is their SPED reimbursement was slightly higher than ours was when we were costing this model. We were coming in around \$280 million. I think they showed 360. So, you know, again, we got to sit down with education to see what the right number is. We are around that \$280-300 million number. They came in around 360. The other thing is on the fiscal note, it has to be clear that the Education Future Fund is the funding source of this. Right now, it says General Funds, but that's not the intention. The intention is to leverage that Education Future Fund. So we will sit down with the

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

Department of Education to make sure our numbers align and we'll work with the committee to make sure we can inform you.

BRIESE: Very good. Also, I assume we may have questions as to the sustainability of what we're doing here. Can you speak to that?

LEE WILL: Yeah, sure, so--

BRIESE: Can you "alieve" those concerns?

LEE WILL: Yeah. So we took a look at the long-term model of this. By, by '29-30, we're estimated about-- of having in that fund about \$575 million remaining. Now, the Governor is making sure, during his administration, this is long-term stable. So, you know, I can't recall anything other than the Cash Reserve Fund that puts such a large investment for an expenditure like this. So, you know, even eight years down the line, we're going to have about \$575 million based on our math and we'll continuously replenish that fund.

BRIESE: And that's based on fairly conservative revenue estimates--

LEE WILL: Correct.

BRIESE: --and projections, correct?

LEE WILL: Yeah. So everything in the package, including the income tax cuts, the business tax cuts, Social Security, education reform, everything is included in the Governor's budget package with about \$2 billion left over between the General Fund and the Cash Reserve Fund balance, yep.

BRIESE: Thank you.

LEE WILL: Sure.

MURMAN: Any other questions? Senator Albrecht.

ALBRECHT: Thank you, Chair Murman, and can you speak again to the, the option enrollment?

LEE WILL: Yeah.

ALBRECHT: So who, who would get that 15? Would it be-- \$1,500? Would it be the school that they should be going to or the one that they have elected to option into?

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

LEE WILL: So on average, my understanding is option enrollment about-- it's about \$10,000 per kid. So this would, would not be \$10,000 plus \$1,500. It just wouldn't be factored in on that \$10,000 per kid. So it would actually less than the amount on state obligation by about \$9-10 million because we're not giving in addition to that student.

MURMAN: Any other questions? I have one. So this breakdown does not take into consideration the amendment.

LEE WILL: It actually does take into consideration the amendment.

MURMAN: Oh, it does.

LEE WILL: Yes.

MURMAN: OK.

LEE WILL: So Westside, for instance-- Senator Wayne's point-- came down around \$2 million. So it came from 12 down to 10 about. And then there are other school districts that had option enrollment students. It also came down because it got backed out of how much you need to finance.

MURMAN: OK and then a follow-up question, so the \$1,500, that does not follow the option student?

LEE WILL: It does not follow the option students.

MURMAN: Yeah, would, would-- so that is built into-- so that decreases the state's obligation rather than--

LEE WILL: Correct.

MURMAN: --increasing the--

LEE WILL: Yes.

MURMAN: --property tax relief for funding to schools?

LEE WILL: Yeah. So it would, it would bring it down around 110 to 102. Essentially, you know, the Omaha World-Herald article-- and Senator Wayne's point is if you look at those students and they're being provided \$10,000 as it is, you know, looking at the issue, it didn't make sense to add an additional \$1,500 on top of that.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

MURMAN: Right. OK. Any other questions for Mr. Will? If not, thank you very much.

LEE WILL: Yeah. Thank you.

MURMAN: Other proponents for LB583? Good afternoon.

STEVE HANSON: Good afternoon. Good afternoon, Chairman Murman and members of the Education Committee. My name is Steve Hanson, S-t-e-v-e H-a-n-s-o-n. I serve as president of the Nebraska Cattlemen and a fourth-generation cattle producer from Elsie. I work alongside my family on our cow-calf operation and feed yard. My wife of 50 years was a teacher at our local school for 28 years. I sat on our local school board for four years. I appear before you today to testify on behalf of the Nebraska Cattlemen in support of LB583. Nebraska Cattlemen support Governor Pillen's plan to provide critical funding of \$1,500 per student to the schools across Nebraska. The current way we fund education is broken, creating a burdensome load to all taxpayers. We believe the proposed plan is a necessary step for the future of our state's education system. This plan will give all schools additional resources to use when planning their individual budgets and will reduce pressure on their property taxpayers. Those are worthy goals and LB583 is certainly a step in the right direction towards reaching those goals. We thank Governor Pillen for taking this first step and we look forward to continuing to work with him on reforming our broken TEEOSA formula. Nebraska Cattlemen has long advocated for a move to a percentage-based formula needs model. We acknowledge the additional funding in LB583 is a beginning. Nebraska Cattlemen has always advocated for a basic funding model which guarantees each school district receives a meaningful percentage of its basic needs from the state. We believe that this is a more equitable method for rural districts where the annual per student cost can be up to \$25,000 due to unique challenges of our schools face. The \$1,500 is a drop in the bucket, but a percentage of formula needs would get us closer to the level of funding needed for these districts not only to produce a high-quality education, but also relieve the heavy burden of property taxes on their district. We do acknowledge that a shift or a change in this drastic would take a reform of the current fund-- formula for this to be a viable action. And thank Governor Pillen for taking immediate action in his proposed plan. The increased "spedulation"-- education funding in LB583 is strongly supported by the Nebraska Cattlemen. This has long been promised to schools across Nebraska and we applaud Governor Pillen for finally keeping that promise. In visiting with our rural schools, one special education student can cost a district

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

upwards of \$100,000 a year. This can cripple a small district and add to the burden of the local taxpayers. This part of the plan will result in direct property tax relief and full a-- fulfill a commitment that was long ago promised to these valuable students. We commend the Governor and Senator Sanders for taking quick action to make a long-term investment in our children and providing needed relief for property taxpayers across Nebraska. We look forward to continuing to work with the Governor's school funding program and to find viable solutions to make Nebraska the state where every person wants to raise a family and educate their children in our school systems. Thank you for allowing us to voice our support and I would be very happy to answer any questions.

MURMAN: Thank you. Any questions for Mr. Hanson? If not, thank you very much. Welcome back again.

EDISON McDONALD: Again. Hello, my name is Edison McDonald, E-d-i-s-o-n M-c-D-o-n-a-l-d. I'm here representing the Arc of Nebraska. We're Nebraska's largest membership organization representing people with intellectual and developmental disabilities and their families. We support LB583 to help deal with the crisis in special education and finally deliver on decades-old promises to properly support students with disabilities. We've been calling for serious system reform in our special education system to deal with the crisis families are facing, whether through learning loss, increased use of restraint, increased use of seclusion, school push-out, or lack of proper supports, the lack of special education staffing is hurting students. When we don't have adequate staffing, this is what happens: overloaded and undersupported staff are unable to properly support students. Then, when adverse actions happen, they have a harder time focusing on de-escalation and end up with more dangerous incidents. We appreciate Senator Sanders and Senate-- and Governor Pillen's leadership on the special education crisis. Bills like this will be a historic investment in special education. I just want to note I have a picture in my office of when we created special education and the Arc led the way then. Those promises were made then. I hope that those will be fulfilled now. The significant shortage of teachers and support staff means that students and teachers are being placed into unsafe situations and students are suffering. In particular, students in rural districts are dependent on property taxes and they're hit even harder. This is not a new problem, nor is it solely a Nebraska problem. On your sheet, you have a graph of shortages by departments over the last 20 years. As you can see, the only department to have shortages every single year: special education followed by STEM. This is not a short-term problem.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

You can also see on the attachment we have a map of states that have the worst issues with special education staffing and Nebraska is in the group of states with the worst issues. While this is not new, COVID has really exploded the impact. Pre-COVID, between 2015-2016 and 2016-2017 school years, the special educators were 11 times more likely to leave the classroom and 72 percent more likely to change schools than general education teachers. Now it's clear those numbers are even higher. This is a key piece of a long-term solution to our special education issues. If partnered with short-term solutions like LB385, we can ensure a short- and long-term fix for the families who are desperate for it. Thank you for the opportunity to testify and we urge your support of LB583. And with that, any questions?

MURMAN: Any questions for Mr. McDonald? Senator Conrad.

CONRAD: Thank you, Chair Murman. Good to see you again. Mr. McDonald. I know that you've been a frequent visitor of our committee, a frequent--

EDISON McDONALD: Yes.

CONRAD: --testifier, which we appreciate, being a strong voice for Nebraskans who are differently abled and their families and the different ways their lives intersect with state policy. I think you were here maybe last week when we were looking at similar proposals--

EDISON McDONALD: LB324.

CONRAD: --yes--

EDISON McDONALD: Yeah.

CONRAD: --to increase special ed--

EDISON McDONALD: Yeah.

CONRAD: --funding. And I am thinking that it will definitely be a big part of the work for the committee as the process plays out. But, you know, do you have a preference today for which option we pursue to increase special education funding or is it any option is a good option? Or if you want to think about it a little bit and circle back with us after, after the hearing, I don't want to put you on the spot.

EDISON McDONALD: Yeah. You know, we definitely looked at that--

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

CONRAD: OK.

EDISON McDONALD: --and talked about that amongst my board. I think a-- we prefer this option to LB324 because LB324 is phased in, whereas this is immediate and LB24 is within the formula and this is outside the formula so that provides added benefits.

CONRAD: OK.

EDISON McDONALD: Yeah.

CONRAD: No, that's very helpful. I appreciate that. Thank you.

EDISON McDONALD: Yeah.

MURMAN: Any other questions from Mr. McDonald? If not, thank you very much.

EDISON McDONALD: Thank you.

MURMAN: Afternoon.

ED SWOTEK: Good afternoon. My name is Ed Swotek, S-w-o-t-e-k, and I'm here today speaking in support of LB583. I currently serve on the Board of Directors of the Nebraska Association of School Boards and serve on the Board of Education for Malcom Public Schools. I also have the distinct privilege of serving as one of two NASB representatives on Governor Jim Pillen's school finance reform committee. As a parent, a career banker for most of my life, an ag producer, and as a dedicated volunteer public school board member, I have seen firsthand the value a quality education can bring to our children. As Nebraskans, it is our moral and economic responsibility to provide for the educational needs of our children. Fulfillment of this obligation not only helps our kids become productive, responsible citizens, but it also sets the foundation of academic excellence for our next generation of Nebraskans to compete on a local, regional, national and even global basis. Governor Pillen's school finance reform committee was the first time in recent memory where state government reached out to the education committee-- community to sit at the table and openly discuss broad goals, define challenges, exchange ideas, build consensus, and work together in setting a course for the future of public education in Nebraska. I'm confident this series of conversations held just a handful of weeks ago marked the beginning of a renewed commitment and partnership for the ongoing dialogue and solution-driven results. As called out in LB-- or LB583, allocating \$1,500 from this fund each year through

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

fiscal year 2029-2030 for each and every public school student in Nebraska ensures no public school student in our great state goes what-- goes without state support. Through a reduction in state-funded equalization aid, this per-student allocation results in a net increase of nearly \$113 million in additional funding for public schools. In the majority of school districts throughout Nebraska, this funding contributes directly to local property tax relief through offsetting state dollars for local schools. This is a win-win for our children and for local property taxpayers. Additionally, this bill invests nearly \$157 million the first year and incrementally more each year through 2029-2030 into local school districts to fund our commitment to special needs students. LB583 will statutorily require 80 percent of all special education funding to be covered through a combination of federal and state funding, up substantially from current levels. This additional reimbursement outside of the TEEOSA formula is critically important because it helps all districts, even equalized districts who are at or near their levy lid. This is a key provision of this bill and I strongly encourage you to keep it as written. With nearly one of every six children attending Nebraska public schools qualifying for some level of special education services-- and these numbers are continuing to grow-- these are precious dollars for precious kids with special needs and it's the right thing to do. I urge you to support LB583. The return on this investment in our children and our future is immeasurable. Thank you.

MURMAN: Any questions for Mr. Swotek? Senator Wayne.

WAYNE: Does Malcolm benefit from option enrollment?

ED SWOTEK: Yes, it does.

WAYNE: So I ask the same question. I don't know, Malcolm, but why, from a state's perspective, should we pay more for an option enrollment kid to attend your school than to attend a regular neighborhood school or community school?

ED SWOTEK: I'm sorry, I'm not following your question.

WAYNE: Well, I don't know what school districts are around Malcolm so you have me there, but if they're opting into your school district, they're acting from somewhere else.

ED SWOTEK: Correct.

WAYNE: So if they're opting from-- what's near there?

ED SWOTEK: Lincoln.

WAYNE: Lincoln. So if they're opting from Lincoln and going to Malcolm, why, from a state's perspective, should we pay more for that kid to not attend their neighborhood school or their local school but go to option somewhere else? Why, why, as a state, are we putting an emphasis on not going to your local community? And why is that a good policy decision from your perspective since you benefit from it?

ED SWOTEK: Malcolm does get option students coming in from some neighboring school districts, even beyond Lincoln. This is a parent choice, a school-choice matter, and parents are choosing where they want their kids to go to school. And because they're no longer in that district where they originate from, they're going to another district where we don't get the benefit of property tax valuations for those particular students that-- again, I'm going to leave all the details to people that know the formula much better than I do, but it's a way of being fair and equitable for, for those students--

WAYNE: And arguably, you're getting--

ED SWOTEK: --in our district.

WAYNE: --you're getting property taxes from people who don't send their kids to schools at all.

ED SWOTEK: Yes, that's true.

WAYNE: But the state is covering for a parent who wants to make the option to go somewhere else and we should increase that value. So from a state perspective, we're putting a premium on, on choice, is what you're saying?

ED SWOTEK: No, I wouldn't say that at all.

WAYNE: Well, isn't the kid worth-- aren't you receiving more dollars from that kid if he options in than he doesn't?

ED SWOTEK: No, Senator, I-- that kid is no longer an expense to the local school district from where they originate from. And to pay for that particular student, the state is helping to move those dollars, excuse me, from one district to another now.

WAYNE: So since they're not a part of that, let's say Lincoln now, we should subtract that student from that Lincoln one and have the-- that same exact dollar follow that student.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

ED SWOTEK: Well--

WAYNE: Why would we, why would we increase the dollar?

ED SWOTEK: --how do you define same exact dollar?

WAYNE: I'm trying to figure out why do we increase the dollar amount? So for OPS, if a kid is only worth \$4,500 from a state perspective, let's say Lincoln, it might be \$5,500. We're just talking numbers here hypothetically. So why don't we just transfer that \$5,500 to Malcolm? Why do we have to increase it to \$10,000?

ED SWOTEK: Sir, I'm not-- I don't have that knowledge of what individual districts-- of what a, as you characterize, a kid is worth. This-- the state opt-- or the optioning mechanism has been in place for many, many years, is a way to fairly and equitably compensate those districts for one-- for when a child is transferred from one district to another. And so I don't think there's an issue of fairness.

WAYNE: OK. Thank you.

ED SWOTEK: You bet.

MURMAN: Any other questions for Mr. Swotek?

ED SWOTEK: OK, thank you.

MURMAN: If not, thank you very much. Good afternoon.

KATHY DANEK: I feel like I'm short always and I feel like Lily Tomlin. For those who don't know, she's in the new Brady, Brady movie. So I am Kathy Danek, K-a-t-h-y D-a-n-e-k, and I'm a board member of Lincoln Public Schools. Good afternoon, Chairman Murman and members of the Education Committee. I am testifying as a proponent today, but there are concerns that will be shared in later testimony regarding the foundation aid portion of this bill that still needs to be addressed. However, this afternoon, I will focus my testimony on supporting the proposed changes in special education reimbursement through LB583. Currently, Lincoln Public Schools' average is under 50 percent in special education reimbursement. The special education supplemental aid proposed in LB583 would increase the special education reimbursement to 80 percent of the actual anticipated expenditures of the school district for special education, minus the total amount of existing state and federal funds to be provided to the school district for special education, excluding special

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

education supplemental aid. So this bill adds up to an additional 30 percent on top of the existing 50 percent. And I would add, I've been a proponent of increasing special education funding, not just on the state level, but nationally, where they get about 13 percent of the promised 40 percent for more than 50 years. So as you can see, it's, it's something long overdue. What is unique about Senator Sanders' bill compared to previous bills proposing increases in special education reimbursement is that this additional reimbursement is paid directly to districts and it is not treated as an accountable receipt. If counted as an accountable receipt, the district's state equalization aid would be decreased in the amount that was received in the new special education reimbursement. I want to thank Senator Standers for-- Sanders for recognizing how rising special education costs impact schools. I think she's back here. Thank you. By directing the funds to districts, it is possible for those funds to relieve the pressure on those costs on the General Fund and allow the districts to address existing unmet needs in both general and special education. This is a new approach in proposing increases in special education reimbursement. We also want to highlight our appreciation for the amendment filed today on LB681. LPS believes it is directly tied to the sustainability of education funding and it has impacted our district through LB583. Again, we thank Senator Sanders for her approach to improving special education reimbursement. And with that, I would be happy to answer any questions.

MURMAN: Any questions for Ms. Danek? Senator Linehan.

LINEHAN: Thank you, Chairman Murman. Are you going to have-- is your finance officer, superintendent of finance, going to be here to testify today?

KATHY DANEK: She is out of town today, so--

LINEHAN: Is there anybody from Lincoln Public Schools that-- from the finance department or-- that knows how the formula works for Lincoln? I mean, I know you know, but I mean, like, down-in-the-weeds know.

KATHY DANEK: Well, I don't believe, I don't believe they're coming today, but let me ask-- Mr. Neal is here. John, is anyone coming from finance?

JOHN NEAL: Not from finance today.

KATHY DANEK: OK. Thank you.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

LINEHAN: OK. How many students-- do you know how many students opt to a different school that live in Lincoln Public Schools but opt to Norris or Malcolm or--

KATHY DANEK: No, but what I do know is about as many that opt out opt in from neighboring districts. It's always been reviewed in Lincoln as kind of a wash. Some kids come for specific programming, some leave for specific programming. Some parents want smaller education environment. A school of 2,300 kids compared to maybe a neighboring school of 1,100 kids is a significant difference for some children.

LINEHAN: OK. Thank you very much.

KATHY DANEK: Yes.

MURMAN: Any-- yes, Senator Wayne.

WAYNE: So what I'm-- so I've introduced foundation aid bills before and Lincoln has always been opposed. So what, what is different in this regards? What makes this bill different?

KATHY DANEK: We didn't really talk about the foundation aid. Our proponent status on this is on the special education funding.

WAYNE: So what is the school district's position on the foundation aid piece?

KATHY DANEK: Right now, we believe foundation aid is still inequitable if you're making it part of an accountable receipt otherwise. We have not had a discussion as a board on foundation aid so I would ask that you give us an opportunity to do that. If I gave you my personal opinion, it would be significantly different than possibly what my district would be.

WAYNE: I understand that. So where, where I'm struggling for Lincoln, Omaha and schools that are equalized is-- especially ones who are at \$1.05 on their levy limit-- we're essentially giving General Funds, which is a combination of sales tax and a lot of things that Omaha and Lincoln put into. And we are supplanting rural districts and those who are outside of equalization aid with dollars. But essentially for Omaha, Lincoln, it comes in one hand and goes out the other and we see no benefit on the financial aid side-- foundation aid side.

KATHY DANEK: I would agree.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

WAYNE: OK, then I don't have a question. I was trying to figure out why you were in support, but now I know.

KATHY DANEK: I'm supporting the special ed--

WAYNE: Special ed--

KATHY DANEK: --reimbursement because I have--

WAYNE: I think.

KATHY DANEK: It's a bill I've tried to die on for more than 21 years.

WAYNE: I think we're in agreement.

KATHY DANEK: And any way you can figure out how to help a special ed kid, I'm going to be here screaming and hollering to please support that bill.

WAYNE: But on the foundation aid side, the concerns that I kind of just raised are some-- that may be your personal concern, maybe the board hasn't adopted yet.

KATHY DANEK: My personal concerns is that the foundation doesn't help Lincoln at all unless you figure out how to make it outside of a, of an accountable receipt. And I don't even know what that would do because we haven't modeled all of those things. So there are a whole lot smarter people than me that mess with those numbers every day. As chair of finance, I trust them to give me the best information and I will take that question back to my colleagues.

WAYNE: Thank you.

MURMAN: Senator Conrad.

CONRAD: Thank you, Chair Murmin and also really appreciate Senator Linehan asking folks like me, new members of the committee, to know the weeds on how the formula impacts the school districts specifically with each moving part there, but definitely trying to get up to speed as, as quickly as they can on all these issues. What I'm hearing from you and Kathy and Ms. Danek-- we've known each other for so long.

KATHY DANEK: We've known each other forever.

CONRAD: --yes. Yes-- is that there are aspects that we find a lot of agreement and consensus and common ground on in the Governor's

transformational education proposal. There are aspects of the package, in this bill and in other bills, that are kind of a part of that package that we're hopeful that maybe from Lincoln's perspective or other school districts' perspective that we'll let the process play out, have more dialogue, have more negotiation to, to maybe make sure that, that we can address any concerns that, that might be remaining in this measure or, or other parts of the package. Is that a fair kind of assessment?

KATHY DANEK: That's extremely fair. I think--

CONRAD: OK.

KATHY DANEK: --I think what we may not realize is as board members, we're board members, but we also have a personal stake--

CONRAD: Sure.

KATHY DANEK: --in our community. I'm the mom of three educators and a son-in-law who's an educator. So that's four that sit at my tables and holler at me about what's going on each and every holiday. And I have one that's a principal, one that's special education and one is a school psychologist. And special education is one of the things they all highlight over and over and over again about being a drain on a teacher, a drain on an administrator. It's a drain on resources, not because the kids are a drain, but because there's never enough to go around to meet all of those needs. So while a rising tide raises all boats, special education funding raises all boats across the entire Lincoln schools. We provide special education services in Lincoln, not just for our public schools, but also for our parochial schools. So a lot of people don't even know that and I think it's really important that we understand that does help Lincoln Public Schools.

CONRAD: Right. And I've always admired your leadership in terms of ensuring equity for our students, whether that's within Lincoln Public Schools or whether that's, you know, broadening that lens across the state. And, and I think that, you know, we're, we're really trying to grapple as stakeholders in this important conversation with, you know, how can we help to lift all boats? How can we make sure that, as the Governor noted, no child is, is left behind, so to speak, that, that they all have a chance to, to win? But I'm also thinking, you know, through my legal training and otherwise, that there's nothing fair about treating folks that are not similarly situated in the same way, right? Like, there's

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

different needs in different districts. And so a one-size-fits-all approach is, is not always going to be equitable, right, when we have more significant needs in, in some places. I don't know if you wanted to, to weigh in on that or that's a broader conversation perhaps beyond the--

KATHY DANEK: It sounds like, it sounds like dinner at my house.

CONRAD: --three-- yeah, instead of just a three-minute testimony here today. But those are, I think, some of the issues that I've heard from folks in the education community and constituents in our district. Just kind of trying to figure out-- we, we appreciate and understand. We, we want everybody in Nebraska to be successful, but we want to make sure that, that we can take into account local, local needs as well. And beneath that, we have in Lincoln educating a very diverse student body and a very large population are different than maybe some other school districts are facing.

KATHY DANEK: That's accurate. We, we actually-- I have four kids. I came from a family of nine.

CONRAD: OK.

KATHY DANEK: So when you want to talk about diversity, that--

CONRAD: Yeah.

KATHY DANEK: --really goes to [INAUDIBLE]. The reality becomes no two children are the same. Every child has a different need. I've always believed, in Lincoln, that we provide an education system that tries to meet the needs of each and every child. As a mom, I've seen that. As a grandmother, I see that. But more importantly, my father was from Valentine. My mother was from Laurel/Hartington. So I understand rural and urban because that's where my dad and mom's roots are. And I think we have to look for a system. I appreciate what the Governor did in inviting the superintendent and Dr. Standish from Lincoln to go and be part of this discussion because you can't just serve one part of our state. We do have to serve the whole state. In Lincoln, we've been up against \$1.05 levy. I've been on the board since 2001. I've seen the levy go up. I've seen it go down. When I got on the board, it was dropping a nickel every year. All of a sudden, it was wait, wait. No, \$1 doesn't work, 95 will be even worse. And we keep tinkering with a formula without the state saying we're going to have a long-term investment. So there are some things here with a long-term investment that I believe will help education long term. I

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

can't say anything's perfect. I haven't seen the modeling for it. I haven't seen what it does to our budget except for the special education funding. And that's why we limited our testimony to the special education funding.

CONRAD: Thank you so much.

KATHY DANEK: OK.

MURMAN: Thank you. Senator Briese.

BRIESE: Thank you, Chairman Murman. Thanks for your testimony here today. You and Senator Wayne brought up the notion of foundation aid and I detect a little angst about foundation aid. But have you calculated how your foundation aid per student at LPS compares to, say, the foundation-- or the-- let, let's back up a second. Have you calculated how your total state aid per student compares to your total state aid per student out in rural Nebraska, for example, LPS versus Boone Central, where I come from?

KATHY DANEK: I can't say that I've seen that. I've seen a document, Senator Briese, but I don't have the numbers with me. I'd be happy to look at them and maybe have a meeting with you later about that.

BRIESE: OK, but would you disagree if I suggested that state aid per student at LPS is probably three and a half times what it is out at Boone Central?

KATHY DANEK: I would also say there are schools that are 89 kids and we have 41,300 kids this year so it's a--you can call it economy of scale, but if you put them in, that's more kids that are in parochial education across the state of educate-- of Nebraska.

BRIESE: No, I, I understand you--

KATHY DANEK: OK.

BRIESE: --you have a large district. But I'm saying folks that I talk to back home, they compare what they're getting per student from the state compared to what OPS or LPS is getting. And there's a perception out there that it's extremely unfair the way it's set up currently, but I wanted to share that perception with you.

KATHY DANEK: The levy is really the part of it. We have a dollar-- we're up against \$1.05 cap. Everything we do has to stay within that cap. And I don't know that if you have 80 cents on your levy-- of, of

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

authority that you can access compared to being up against the top of your levy and you have to go and ask your property tax owners for a more significant increase, that's also a burden. And we've done really well at trying to keep within our \$1.05 levy. Do I have any 40-- 40,000-acre farms in the middle of Lincoln? No, but I probably have a significant number of people that live on little 100 by 200-square-foot lots that would tell you they're paying \$3,000 to \$4,000 a year for property taxes as well. And I-- we're trying to serve all kids and all families in Lincoln Public Schools.

BRIESE: But you're not suggesting that schools in Nebraska are underfunded overall. I mean, LPS students' needs have been--

KATHY DANEK: Well, we're 49th out of 50th so I would say that that would be inaccurate, so.

BRIESE: Yes, but, but the needs of LPS students are being met, correct?

KATHY DANEK: I'd say we meet them with the resources that we have available.

BRIESE: Thank you.

MURMAN: Senator--

LINEHAN: I think she had her hand up first.

MURMAN: Oh, Senator Walz.

WALZ: Game show. I just have a quick question. You mentioned levy. Does this plan reduce-- allow you to reduce your levy?

KATHY DANEK: I haven't looked at that yet from a budget standpoint and we will-- we're just starting at the beginning of the process, so.

WALZ: OK. All right, thanks.

KATHY DANEK: I don't spend money that's not in my bag, so.

MURMAN: Senator Linehan.

LINEHAN: Just a couple clarifying questions. When we say 49 out of 50, you, you understand that's state funding, not--

KATHY DANEK: Yes, I do.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

LINEHAN: --not total funding.

KATHY DANEK: Correct.

LINEHAN: We're nowhere near the bottom when it comes to--

KATHY DANEK: Correct.

LINEHAN: --per-student funding.

KATHY DANEK: And I'd also say that Nebraska has some of the best public schools in the state-- in the country.

LINEHAN: So since Dr. Standish can't be here, can, can I ask if you could take back to the administration a question?

KATHY DANEK: Yep.

LINEHAN: Could you please ask Dr. Standish if the special ed costs that you incur are included in your formula needs?

KATHY DANEK: OK. I will have her do that.

LINEHAN: Thank you much.

KATHY DANEK: Thank you. Yes, sir.

MURMAN: I got-- I don't have to raise my hand I guess. I, I just have a--

KATHY DANEK: Well, thank you for letting me call on you, Senator Murman. I feel like a teacher all of a sudden.

MURMAN: We-- you talked a lot about the challenges that Lincoln has to educate the students in Lincoln. And I totally agree with you, but would you agree that we definitely have challenges out in greater Nebraska too that are, you know, different, but, but we have challenges also? You know, like geographic distances and we don't have as easy a way of efficiently-- you know, the size of the classes and so forth, so I just want to ask you if you agree we have challenges in greater Nebraska also.

KATHY DANEK: I served as president, I served as president of the Nebraska Association of School Boards about ten years ago. Yes, I know there's challenges in every square, square inch of Nebraska to educate kids. And the number one thing I know is it does it matter whether your parent came from Hemingford or Lincoln-- that's about as

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

far apart in the state as I can get. The reality is everybody wants a good quality education for their child. And I think that we have a responsibility as a state, as a community, to make sure that that happens.

MURMAN: Thank you very much. Any other questions? OK, thank you.

KATHY DANEK: Thank you.

MURMAN: Welcome back.

KYLE MCGOWAN: Good afternoon, Chairman Murman and members of the Education Committee. My name is Kyle McGowan, K-y-l-e M-c-G-o-w-a-n, and today I'm representing the Nebraska Council of School Administrators. We'd like to thank Senator Sanders and the Governor for the efforts in LB583 to recognize the importance of serving all children and the reality that some children-- some students need greater assistance than others. The-- assuring schools that, that they'll receive at least 80 percent reimbursement for these important programs will assist with local budgets and hopefully then local property taxes. When I started as an elementary principal in the early '90s, schools were being, being reimbursed for special education, education costs were approximately 80 percent. And when I left school as a superintendent in 2016, our district was getting approximately 50 percent reimbursement. In our district, we had several children that had cost well over \$50,000 per year. As I mentioned previously, NCSA represents all Nebraska schools. All Nebraska schools will benefit from this proposal, LB583. There has been a discussion amongst our members about the foundation portion, the foundation aid, and we are supporting LB583 and recognizing the importance of the Education Future Fund reference within the bill. Again, thank you for your time and supporting the children in Nebraska.

MURMAN: Any questions for Mr. McGowan? Senator Linehan.

LINEHAN: Thank you, Chairman Murman. On the 80 percent, when did you say-- in the '90s?

KYLE MCGOWAN: Nineties, yeah. It varied a little bit if you were serving children in preschool. You actually received a little bit more.

LINEHAN: So do you know what the federal funding did from, like, 2000 to 2010?

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

KYLE MCGOWAN: How it decreased, you mean? To what amount, I, I don't know.

LINEHAN: You don't. I think-- does this sound right-- let me say it this way-- that in 20-- I think-- I shouldn't say it-- maybe 2005, federal funding was about \$20 billion and now it's maybe down to 10 or 12. You don't know.

KYLE MCGOWAN: I, I don't know those--

LINEHAN: OK.

KYLE MCGOWAN: --numbers. I just know that we kept getting less and less as a school district.

LINEHAN: But I think it was the federal funding that--

KYLE MCGOWAN: Oh, for--

LINEHAN: --kept getting less and less, right, not the state--

KYLE MCGOWAN: Absolutely.

LINEHAN: --funding.

KYLE MCGOWAN: Correct.

LINEHAN: That's what I'm trying--

KYLE MCGOWAN: Correct.

LINEHAN: OK, thank you very much.

MURMAN: Any other questions for Mr. McGowan? If not, thank you very much.

JOSH FIELDS: Chairman Murman and members of the Education Committee, good afternoon. My name is Josh Fields, J-o-s-h F-i-e-l-d-s. I am the superintendent of Seward Public Schools. I'm offering testimony today from STANCE. STANCE stands for Schools Taking Action for Nebraska's Children's Education, is comprised of 18 mid-sized school districts, free of lobbyists representing nearly 25,000 students across the state. STANCE is unique in the fact that we have districts representing the entire state, from Chadron to Plattsmouth, levy ranges from \$1.05 to 60 cents, and enrollments ranging from less than 900 to 4,000. We represent Nebraska education. We do not take it lightly in our position with the Legislature. We're offering

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

proponent testimony of LB583 proposed by Senator Sanders on behalf of the Governor. As an organization, we appreciate Governor Pillen inviting STANCE to be part of the discussions last December and hopefully continuing conversations in the future around the important education topics such as today with school funding, but also the teacher shortage, CT and other important topics. We also appreciate being allowed to provide feedback from our STANCE representation with new ideas, concerns and questions throughout those meetings. While I understand this is not perfect solution for all STANCE schools, we do feel that is-- as approved-- if approved as is, this proposal would help STANCE school districts overall. Foundation aid of \$1,500 per pupil, if not equalized, would provide substantial support to districts such as Seward, Aurora, Lakeview, Waverly, Wahoo, Ashland-Greenwood, Holdrege, etcetera that are not equalized. Additional special education funding from the state to make up the difference from 80 percent from the federal government outside of TEEOSA formula is a key component for equalized school districts, as it would help all boats rise without having it to count as a resource. This important-- allows equalized schools within STANCE such as Crete, Chadron, Columbus and South Sioux to also see a bump in state resources as well. Overall, STANCE schools will see an increase in state support from \$320,000, which is the lowest in Chadron, to around \$4.2 million in Waverly. Using current projections, the injection of funds could also see school levies drop from 5 cents to 20 cents within STANCE schools. STANCE also appreciates the technical payments throughout the year to help cash flow issues that some districts may face. Thank you again to the Education Committee, in particular, Senator Sanders, for prosing-- proposing LB583. I'd be happy to answer any questions you may have.

MURMAN: Any questions for Mr. Fields? Senator Walz.

WALZ: Thank you. Good afternoon--

JOSH FIELDS: Good afternoon.

WALZ: --Dr. Fields. How are you?

JOSH FIELDS: Good.

WALZ: This was a-- overall, STANCE schools have seen increase in state support from 329 in Chadron to \$4.2 million in Waverly. Can you-- do you know the story behind Waverly?

JOSH FIELDS: Well, it would be--

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

WALZ: Like, what-- how is that--

JOSH FIELDS: And I think the biggest difference would be that-- their number of students. So they've got a lot more students than Chadron would have but also they're not equalized like Chadron would be. So going what Senator Wayne was talking about, equalized schools would be essentially held harmless within this. And so the money that Chadron would get would be from the special education bump where Waverly would also benefit from the foundation aid plus the special education bump.

WALZ: OK. All right, thank you.

JOSH FIELDS: Yep.

MURMAN: Any other-- Senator Linehan.

LINEHAN: Thank you, Chairman Murman, and thank you, Dr. Fields, for being here today. Can you tell me why it's so important for the equalized school districts that the special ed funding is not included inside the formula?

JOSH FIELDS: It wouldn't be counted as a resource then and so when you-- and it's-- my understanding-- I don't want to speak for equalized schools. Seward is not equalized. But from my understanding, I think a lot of people behind me that will probably testify also can answer this, but-- is that when it's counted as a resource, it's not a dollar for dollar. And so if it-- when it's outside, that is going to allow you not to count as a resource piece for the TEEOSA formula, which would allow you to get that infuse of money versus if it was counted as a TEEOSA-- in TEEOSA, then, like, the gentleman before from the Arc talked about, then it would be a-- wouldn't be as big of a benefit that way.

LINEHAN: But the needs are going to stay inside the formula, right?

JOSH FIELDS: I can't answer--

LINEHAN: It's OK.

JOSH FIELDS: Yeah. I can't answer that question.

LINEHAN: That's fine.

JOSH FIELDS: Yeah.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

LINEHAN: Thank you very much for being here. Appreciate it.

JOSH FIELDS: Yep.

MURMAN: Any other questions for Mr. Fields? If not, thank you very much.

JOSH FIELDS: Thank you.

MURMAN: Good afternoon.

TERRY HOULTON: Good afternoon. My name is Terry Houlton, T-e-r-r-y H-o-u-l-t-o-n, and I'm the special education director for Millard Public Schools. I'm here to testify in support of LB583. First, on behalf of Millard Public Schools, I would like to thank Senator Sanders, the Governor and his staff for recognizing the need for better funding in special education programs and services, and for the ongoing dialogue. Specifically with regards to LB583, the 80 percent funding of special education would be a significant benefit to Millard Public Schools. Currently, special education reimbursement is at approximately 42 percent. Moving that percentage up to 80 and making that increase percentage outside of the state aid formula ensures that equalized districts like Millard Public Schools will receive a direct benefit. This would alleviate pressure on our special ed-- on our budget for special education services, which has otherwise been extensively reliant on local resources. It will also help us to meet the individualized supports, resources and services for each of our 3,300 students with disabilities. Special education services are a critical part of the mission of Millard Public Schools, allowing us to engage and challenge all students, including students with disabilities, throughout their education. We also would like to highlight our appreciation for the amendment filed today for LB8-- LB681, which our district believes is directly tied to the sustainability of educational funding and impact our district analysis of LB583. Again, thank you for your recognition of this need and the ongoing collaboration. We are supportive of the increase in the special education funding and with that, I'd be happy to answer any questions you may have.

MURMAN: Any questions for Mr. Houlton? Senator Wayne.

WAYNE: I mean, doesn't it say something that if we have to use-- if we have to move special education funding outside the formula, that our formula probably isn't working?

TERRY HOULTON: Senator Wayne, that's a great question.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

WAYNE: I thought of it. I thought it might. I don't know.

TERRY HOULTON: Yeah. Thank you. I appreciate it. My knowledge and expertise really are in special education and special education funding. How special education works with the greater formula is beyond really my scope. And I would encourage you-- I would suspect there's other people in the room that can really give you a more authentic and probably a better answer to your question, but I do appreciate it.

WAYNE: Thank you.

MURMAN: Any other questions for Mr. Houlton? Thank you very much.

TERRY HOULTON: Thank you.

MURMAN: Welcome back.

JACK MOLES: Thank you. Good afternoon, Senator Murman and members of the Education Committee. My name is Jack Moles. That's J-a-c-k M-o-l-e-s. I'm executive director of the Nebraska Rural Community Schools Association. And on behalf of NRCSA, I would like to voice our support for LB583. We thank Senator Sanders as well as Governor Pillen for considering the needs of all of Nebraska's public schools, their students and their taxpayers. With about two-thirds of Nebraska schools now receiving equalization aid, NRCSA believes there's a failure in our system of funding our schools. LB583 attempts to rectify some of these failures. The \$1,500 per pupil funding does address the Governor's desire to invest in every child and we very much appreciate that and agree with Governor Pillen on that. The other part of the LB583 would raise the reimbursement rate for SPED expenditures back up to the 80 percent of allowable cost. I shared some of this information with you a week ago. I'm going to go over some of it again, if you don't mind. But I did-- looked at a study done by the Nebraska Association of Special Education Supervisors and they found that local spending-- or local funding for SPED from 11-- 2011 to 2017 increased by 54 percent. In the meantime, state reimbursement only grew by 24 percent. And Senator Linehan, to your question a little bit earlier, federal reimbursement dropped by 47 percent during that time. I did a study of my own on special education expenditures in all public schools in the state. I looked at, you know, how much they grew. And what I saw, there were ten districts well over 200 percent growth in a 15-year period. Some nearly-- or I'm sorry, Cedar Bluffs was at 613 percent growth during that time. And then you can see the rest of those there.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

Additionally, 55 other school districts saw an increase between 70 and 100 percent. Overall, 158 districts saw at least an increase of 50 percent during that time. And all this took place when reimbursement rates were dropping. So see I'm about at time, in closing, we-- again, we very much appreciate Senator Sanders, Governor Pillen for the recognition of the inequities in state funding of our public schools. And we would urge you to move LB583 forward. Thank you.

MURMAN: Any questions for Mr. Moles?

WALZ: Just a quick question.

MURMAN: Senator Walz.

WALZ: Thank you. Thank you, Jack. Trying to remember what my question was. You said that there was a increase in attendance or an increase in kids attending some rural schools. I don't remember what you called it. Did you just say that or not? An increase in a-- not attendance, but--

JACK MOLES: The numb-- the special education costs.

WALZ: Oh, OK.

JACK MOLES: We did a-- see very much an increase in that.

WALZ: OK.

JACK MOLES: OK.

WALZ: I, I, I didn't hear it right. Thanks. Sorry.

JACK MOLES: You're not the only one. I get it all the time.

WALZ: I can't see and I can't hear.

MURMAN: Any other questions? Thank you very much.

JACK MOLES: Thank you.

MURMAN: Hello.

DANIEL BOMBECK: Good afternoon, Chairperson Murman and members of the committee. My name is Daniel Bombeck, D-a-n-i-e-l B-o-m-b-e-c-k, and I currently serve as the director of student services at Educational Service Unit 2. And I'm here today on behalf of NASES, the Nebraska

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

Association of Special Education Supervisors, which is an affiliate of the Nebraska Council of School Administrators, in support of LB583. I'm honored to join you today as a Nebraska educator and administrator in support of this bill that will provide an increase in special education supplemental aid. And that's where my expertise lies today is more on the special education side of things. In 1975, Congress enacted the Individuals with Disabilities Education Act, formally under a different name, outlining protections for students who have disabilities. This act has been reauthorized several times since, with the most recent taking place in 2004. Through these, the act expanded the original service provisions to provide more comprehensive services to students and, in the case of Nebraska, has extended services to include ages birth to 21. The services outlined in IDEA are required to be provided, meaning regardless of the fiscal availability, a district must implement its provisions as determined by the student's individualized education plan, or the IEP. Unfortunately, the federal government has never fully funded IDEA and has several compliance measures in place that potentially make these funds-- put these funds at risk for year-- from year to year. On average, across the state of Nebraska, districts cover 53 percent of the special education cost for local funds-- through local funds, 35 percent with state funds and 12 percent with federal funds. I'll point out that a little-- some of my numbers, the 35 percent from state funds, might disagree with some of what earlier testimony has indicated. The piece I would like to point out here is I think in this indication, we're taking into consideration birth of 21 and ages birth to five, or preschool age, are not a reimbursable expense through Nebraska so those are part of that piece. Additionally, state reimbursement is not currently available for children ages birth to five, allowing this to only be covered by local and federal funds, leaving little to no federal dollars available for school-age services. This leaves districts to cover these required costs through local funds and state reimbursement only. Trends also are showing that the state reimbursement pool and federal dollar allocations have not kept up with inflation and the increasing cost of special education services. According to the bls.gov inflation calculator, the nation has seen a 23.66 percent inflation increase since 2016, compared to-- compare that to a 9 and 8 percent increase in state funds and federal funds respectively and we quickly see that local funds continue to bear the brunt of special education cost and will continue to do so in the future. Again, I want to thank you guys for your time and thank Governor Pillen and Senator Sanders for proposing this bill.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

MURMAN: Thank you. Mr. Bombeck. Any questions? Senator Linehan.

LINEHAN: Thank you, Chairman Murman. So in your fourth paragraph down here, I don't-- according to the bls.gov inflation calculator, the nation has seen a 23.66 percent inflation increase since 2016. Increase in what, in special ed cost or--

DANIEL BOMBECK: No, that's just an increase in inflation and cost of services in general. So what we're seeing is that the increase-- so that isn't necessarily comparing specifically to ed-- special education costs, just the cost in the general society. So that would be our wages that go into paying anybody, whether they're in education or outside of education, cost of goods, etcetera.

LINEHAN: So does that include this last year? I don't know how you get that high unless you're talking about this last year.

DANIEL BOMBECK: So I think the-- and I am no expert in this.

LINEHAN: OK.

DANIEL BOMBECK: The reason why I Googled it and went to the website and said, hey--

LINEHAN: OK.

DANIEL BOMBECK: --what is that?

LINEHAN: OK.

DANIEL BOMBECK: My, my guess is that it was-- it, it indicated that it was about 3-- a little over 3 percent each year. And by the time you compound that out, the overall total comes out to 23 percent.

LINEHAN: OK.

DANIEL BOMBECK: So yeah, I'm no specialist in inflation, so yeah.

LINEHAN: That's, that's fine, that's fine.

DANIEL BOMBECK: Google is my friend.

LINEHAN: We'll all-- we'll Google it too. Thank you very much for being here.

MURMAN: Any other questions for Mr. Bombeck? Thank you very much.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

DANIEL BOMBECK: Thank you.

MURMAN: Welcome.

MARK McHARGUE: Thank you, Chairman Murman and members of the Education Committee. My name is Mark McHargue, M-a-r-k M-c-H-a-r-g-u-e. I serve as president of Nebraska Farm Bureau and on behalf of Nebraska Farm Bureau, I'm here to testify in support of Senator Sanders' LB583 introduced on the request of the Governor. I'm also testifying on behalf of the Nebraska Corn Growers, the Nebraska Pork Producers and Nebraska Soybean Association. According to the fiscal note, in the first year, LB583 invests \$113 million in Nebraska public schools though providing foundation aid of \$1,500 per student, which has been talked about. It's important to note that this function is within the TEEOSA formula. In year two, state funding will increase for special education students. When added to federal funding Nebraska receives, it will equal 80 percent of the school district's cost to provide those services. This function is outside of the TEEOSA formula, which has been mentioned as well. The special education investment will be \$253 million. And it's important to note that this investment in special education cannot be cut without serious financial consequences because of the federal maintenance of effort, or the MOE, requirement for states to receive federal assistance. When combined, special education funding and foundation aid will provide public schools \$366 million annually. For years, we have advocated that the state's needs-- state needs to take a greater responsibility in funding our public schools in order to reduce Nebraska's overreliance on property taxes. This is a bold move by the Governor Pillen and the senators supporting the bill, which is in part of the-- which is part of the Governor's package for education funding reform and property tax relief. It increases state aid to schools by approximately 33 percent annually. It is also a bold move that demonstrates the Governor's willingness to listen to the education community. In December, Governor Pillen pulled education, property tax relief advocates together and three-- on three occasions to develop a plan to begin formulating a way for Nebraska to reduce its overreliance on property taxes and address the education issues. Nebraska Farm Bureau was one of those at the table. From the reports from our representatives early on, schools-- governor Palin had areas that would have the biggest impact and education said that special education is part of that, which is now a part of this increased school funding proposal. For those concerned about sustainability, LB583 coupled with the appropriations bill for this package that will put \$1 billion in education trust fund to be supplemented annually with \$250 million is sustainable. I've seen the

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

numbers and it is so sustainable that it actually has a rainy day reserve fund that we can weather the worst of financial storms. With respect to the means of property tax relief, it is my understanding this package proposed by Governor Pillen respects the premise of local control. So it's imperative that school boards, upon receiving this money, take action to actually reduce and provide property tax relief. This includes-- this package includes a cap that's a soft cap, but it's imperative that-- on our behalf that these funds continue to flow through and down to prop-- for property tax relief. And if that doesn't happen, Nebraska Farm Bureau will need to have some more discussions with the package. I'd be happy to answer any questions.

MURMAN: Any questions for Mr. McHargue? I have one. I think you've pretty well covered it, but the Farm Bureau does support the total package, not just this, this section of the Governor's proposal for education.

MARK MCHARGUE: Yeah, absolutely. We feel like this entire proposal has to move together. And quite frankly, as a, as a father of a special needs child that's received probably in that \$50,000 to \$75,000 a year type, I understand certainly that within the special ed, there's a need. But as we roll this all together, we're primarily, primarily concerned that it does flow down and actually end up being property tax relief. If it doesn't do that, I think we're funding important parts, but on the special needs side, if we want to find funds special needs, let's fund that. But if we can't guarantee that that money flows down to property tax relief, we need to understand that and not be counting that as property tax, property tax relief.

MURMAN: Thank you. Any other questions for Mr. McHargue? Thank you very much. Any other proponents?

KRISTEN LARSEN: Good afternoon, Senators and Chair/Senator Murman. My name is Kristen Larsen, K-r-i-s-t-e-n L-a-r-s-e-n, and I'm here on behalf of the Nebraska Council on Developmental Disabilities to testify in support of LB583. Although the council is appointed by the Governor and administrated by DHHS, the council operates independently and our comments do not necessarily reflect the views of the Governor's administration or the department. We are a federally mandated independent council comprised of individuals and families of persons with developmental disabilities, community providers and agency reps who advocate for systems change and quality services. The council serves as a source of information and advice

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

for state policymakers and senators and when necessary, we take a nonpartisan approach to provide education and information on legislation that will impact individuals with DD. NCDD is here to support the intent of LB583. This bill, introduced by Senator Sanders at the request of Governor Pillen, would increase funding for special education. The council is pleased that the Governor recognizes that Nebraska's special education is woefully underfunded and unfair to many students. LB8-- LB583 expands state funding for special education and will bring a historic, extensive investment of funding to educate children with disabilities to begin fulfilling promises made when special education was created. If passed, we would finally keep that federal decades-old pledge to absorb 80 percent of the local school district's expenses to educate children with disabilities. Despite receiving some matching special federal education funds, you've heard from others that currently local school districts are forced to pick up as much as 42 percent of the remaining special education costs. The council also works with partner organizations to reverse the historical bias against individuals with disabilities, with the mission to promote self-determination, independence, productivity, inclusion and integration into all facets of community life. Investing in sufficient special ed funding is essential to improve the long-term outcomes for students with disabilities. Public education is the cornerstone of our democracy and is the mechanism by which this nation prepares all students to pursue the benefits of freedom to fully exercise their rights and responsibilities. The Individuals with Disabilities Education Act, or IDEA, ensures that children with disabilities not only have the right to attend public schools, but receive a free and appropriate public education. They have access to the general ed curriculum and receive a meaningful education in a least-restrictive environment that prepares them for postsecondary education, career or other endeavors. It's our hope that when states and the federal government fully fund all components of IDEA and provide increased funding for Part C, Head Start and or other early intervention programs, that students with disabilities will be better prepared for adulthood and may require less Medicaid-funded HCBS services and supports. All students deserve an education that spark their curiosity and desire to learn. I'm also the parent of a 29-year-old with autism and an intellectual developmental disability. He grew up in Kearney, received all his services K through transition there. And I can tell you that as a fierce advocate, alongside with my husband, we knew that we-- what we want, we asked what could we do more to improve his life and the life of others? And I can remember back in 2001, his, his element-- or his elementary principal said,

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

we've got to increase, increase appropriations to address the formula, that the local district was taking the hit, and that that was what-- if we could just get that addressed, it would have immense impact. I'm-- I've run out of time. I also talked a little bit about my role in SEAC. I'm not speaking on behalf of SEAC. I just want you to note that as a council representative, I participate in the Special Education Advisory Council and the funding issue has long been discussed. And that council includes family members, administrators, educators and if-- so, we're-- it's, it's definitely an issue and this is just the right thing to do. So thank you--

MURMAN: Thank you.

KRISTEN LARSEN: --for your time.

MURMAN: Any questions from Ms. Larsen? Thank you for your testimony.

KRISTEN LARSEN: Thank you.

MURMAN: Good afternoon.

JESSICA SHELBURN: Good afternoon, Chair Murman and members of the Education Committee. My name is Jessica Shelburn, J-e-s-s-i-c-a S-h-e-l-b-u-r-n, and I'm the state director of Americans for Prosperity Nebraska. I'm not going to go over what everyone else before me has said today. I just want to point out a few things. Governor Pillen and Senator Sanders, with their-- with LB583, have listened to concerns of the education community. They are really trying to address some of the long-term issues that we have heard over the years in dealing with education. And I think they should be applauded for that. I mean, this is a significant expenditure that we are making into education. That being said, we do have concerns. As someone who's been around the legislative process for a long time, I am very familiar with the fact that when you have lots of different pieces and you need them all to move together, that there-- that doesn't always happen. In order for our support to stay strong on LB583, it has to move forward as the package that the Governor has presented with the various bills introduced by Senator Murman, Senator Linehan and several other members of the body because like previous speakers have said. The idea of shifting some of this funding and taking on more of the liability of education funding by the state, while that is great, the taxpayers, the property taxpayers have to see some relief. This cannot just simply be a windfall for the education community. The property taxpayer has to see relief as

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

this package moves forward. So with that, I would welcome any questions.

MURMAN: Thank you. Any questions for Ms. Shelburn? Thank you very much.

JESSICA SHELBURN: Thank you.

MURMAN: Welcome.

JENNIFER MEINTS: Good afternoon. My name is Jennifer Meints, J-e-n-n-i-f-e-r M-e-i-n-t-s, and I am the mother of-- I'll try not to get emotional-- of this beautiful young lady, Grace, right here. I do serve on-- as, as-- Kristen was talking about the SEAC, the Special Education Advisory Council, and I am not here to speak on behalf of them. I am here to speak on behalf of, of myself as a parent. School districts have faced many obstacles over the past three years. I mean many years, but the past three years, we've really noticed it a lot in our home with the staff shortages, the mental health issues on the rise and resources that are limited. We need to support our school systems so they can teach our kids and help them reach their fullest potential. My daughter has received special education services since she was about six months old. They came to our house, you know, starting and, and still receiving them today. And we are grateful for every single person that has been in her life in, in Lincoln Public Schools. Over the past several years, there have been lots of challenges with staff shortages, remote learning, changes in special education funding. There have been-- there has been a shift in how schools are supporting children. Teachers and staff members are forced to be creative with their staffing, pulling teachers during their plan periods, pulling specialists from their, their, you know, plan periods and their other times, grouping, grouping students together. So not necessarily that's bad, but it's different for kids. That, that learning environment is different for our kids, you know, instead of providing that one-on-one staffing. Administrators being pulled from their duties, which there are already, you know, not enough hours in the day for all of our administrators. So teachers are burning out and teachers are burning out a lot younger. I'll never forget about two years ago, right in the height-- it would have been 2020 in December, I was at Michaels shopping for some art supplies for Grace for Christmas. And there was a young lady there and I asked her-- I didn't know what kind of paints or markers I was getting. And she had-- she just looked kind of flustered. She was a new teacher. And I just, you know, sat there, I said, thank you. Thank you for what you do. And she teared up and she needed that that

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

day. So we need to help support our young teachers, keep these teachers in education for a long time like they always have. So with that being said, it's time for us to come together and support our schools. That's all.

MURMAN: Thank you.

JENNIFER MEINTS: Thank you.

MURMAN: Any questions for Ms. Meints?

JENNIFER MEINTS: Or Grace.

MURMAN: We appreciate, appreciate you both coming in today.

JENNIFER MEINTS: Thank you.

MURMAN: Good afternoon.

BUD SYNHORST: Good afternoon, Chair Murman and members of the education community. Thank you for the opportunity to be here. Bud Synhorst, president and CEO of the Lincoln Independent Business Association. That's B-u-d S-y-n-h-o-r-s-t. The testimony I'm passing around, I think, hits on a lot of the points that we've already talked about today or you've heard about from several folks. And I think from a small business perspective and the members that we represent, the constant thing we hear about is property tax relief. And I think as a package, this needs to move forward, as we continually advocate with our local elected officials on different ways that we can address property taxes and how we can maybe move forward with budgets. We invest a great deal of time with our members looking through all of these budgets and trying to have open conversations and dialogue. So we encourage you to move this as well as the other packages together for this property tax relief because frankly, over the last three and a half years since coming to LIBA, I will tell you I feel like I'm banging my head against a cement wall when I talk to our local elected officials about property tax relief. Whether it's asking for a half a penny so that a local political subdivision doesn't have that \$2.5 million windfall, to show some grace to the taxpayers and being told, no, we're going to take it and put it in our savings account. I think it's time that we move forward with these projects and we move forward with these packages so that we can show the taxpayer a little bit of grace. And if anyone has heard about Lancaster County, I'm sure it's happening in other places. There-- as a county, we are looking at at least a 20 percent average valuation increase this year. And I mean, we're hearing from

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

people with 40, 50 percent property valuation increases. And what we constantly hear from political subdivisions and specifically the school district is this additional money is money we need because we don't know what's going to happen next. And we've got to have-- we've got to address this problem. We've got problems with affordable housing, workforce housing and all these other issues in our community. So we encourage this package to be moved forward and I would be open to any questions anyone may have.

MURMAN: Any questions for. Mr. Synhorst? Senator Briese.

BRIESE: Thank you, Chairman Murman. Thanks for your testimony here today. You've heard the conversation about, you know, how to achieve property tax relief. We can give it directly back to the taxpayers through the credit funds. We can funnel it through schools like we're talking about here. Do you see the dollars we're putting into education here getting back into the hands of property taxpayers to a great degree?

BUD SYNHORST: That's my hope, Senator, I'll be honest. I mean-- and, and I think as this package moves forward, I think that's where we're at with it. We, we want to see that happen.

BRIESE: What about relative to the special ed funds? To the extent special ed funding, the needs are adequately met, do you think those dollars translate into property tax relief?

BUD SYNHORST: I think if we put it together as a package, hopefully it can happen. I mean, there's a lot of obligations that have been made to get-- continue to push down to local political subdivisions. We could probably have an entire hearing just on all of those that gets pushed down. So for the state to meet their obligation, I think we need to have something in place also that it's going to help the taxpayer in the end.

BRIESE: But you don't sound real confident as to one-for-one property tax relief, those dollars going into--

BUD SYNHORST: I'm hopeful. I don't like to get too confident when it comes to talking about taxing authorities.

BRIESE: OK. Thank you.

MURMAN: Any other questions for Mr. Synhorst? Thank you very much.

BUD SYNHORST: Thank you for your time.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

MURMAN: Any other proponents? Good afternoon

DAVE WELSCH: Good afternoon. My name is Dave Welsch, D-a-v-e W-e-l-s-c-h. I'm a farmer and currently serve as board president of Milford Public Schools. I have served a total of 31 years as school board member, which means I have been studying the TEEOSA formula for a long time. I'm here to testify in support of LB583. I'd like to thank Senator Sanders, as well as the Governor and his staff for introducing this bill, along with LB681, introduced by Senator Clements on behalf of Governor Pillen, and will provide increased funding to schools, which is a big step in the right direction and will allow for property tax relief. I support the increasing of SPED reimbursement to 80 percent. I think that's as-- all the testimony today has definitely supported that. Milford, it has always been-- since 1990, we've always been an equalized school district. And if you are equalized, we receive our SPED reimbursement through equalization aid. With this plan, by pulling the increased SPED reimbursement outside of the formula, schools like Milford and others who are equalized will basically be double-dipping on that reimbursement. I do not believe that that's an appropriate use of state funds. LB583 provides \$1,500 per student in new funding. While this new amount of funding is appreciated, it needs to be in a way-- done in a way that distributes the money equitably across all Nebraska schools. One of the legislative intents of TEEOSA, as stated in State Statute 79, is to assure a greater level of equity in property tax rates for the support of the public school system. This simply means the property tax levy should be closer together across the state. In its current form, LB583 does not do that. The main reason is that it-- because it does not address the property valuations within the formula. LB320, which you will be hearing next week, does address this issue and it's done so by addressing the huge valuation increases in ag land and also residential and commercial property. What I'm here-- the reason I'm in support today, I'd like to encourage you to combine those two tax-- two bills. Take a look at the one chart that has the bar graphs on it-- and we don't have much time here, but you can see that by combining these two bills, you can bring levies down and closer together, which are the black bars in there. I think that would-- that's the direction we need to go. In the bottom left-hand corner, you will see that by combining these two bills, you can bring levies down for the schools that are currently paying the highest levies rather than bringing them down 10 cents across the board, as this plan would do as it stands alone. One other handout-- and obviously, you'll have to take time to look at these later. The colorful one, the first page shows the discrepancies

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

between how this bill would work. And I see I'm at the end, but I would like to address the Westside because that has been a question for the committee today. Thank you.

MURMAN: Thank you. Mr. Welsh. You ran out of time, would you like to talk about any of the other charts you have here?

DAVE WELSCH: Sure. I could talk forever, but I'd like to respect--

MURMAN: Don't do that.

DAVE WELSCH: --your time here. Yes. If, if you look at the one with the bar graphs, just the highlights there-- again, I think the intent of changes to TEEOSA and state funding should be to bring levies down and closer together. And we need to do that by increasing the number of equalized schools in the state. If you'll see in the left-hand side in the chart, LB583 actually reduces the number of equalized schools by 22 because of the foundate-- the \$1,500 per student going direct to schools and that comes out of your equal aid-- equalization aid so that reduces the number of schools there. Again, the graph to the right, I think it's pretty self-explanatory. By combining LB583 and LB320, we can bring levies down and closer together and that's also reflected in the state-- the averages statewide in the bottom left-hand corner, that the combination of those bills can bring high-levy districts down more than the lower levy districts. And I think that's an appropriate way to handle it. And, and then if you look at the more colorful chart, it just shows the discrepancies that are created. And again, I've, I've looked at these models forever and nobody-- you know, you can always find the outliers in here. But certainly Westside, as was pointed out in the Omaha news article, they could have a potential lower levy of 30 cents while the schools in Omaha and Lincoln, Millard, Elkhorn could only go down 6 or 7 cents. By combining the two bills, Westside would be limited more to a 9- cent levy reduction and, and the other schools would increase to around 12 cents. And you can go on down through there. Personally with Milford and Centennial, which is about halfway down the page, Centennial has a levy under 50 cents. Milford's is nearly 92. Under LB583, our levy would go down 2 cents. There's would go down 6 cents. I don't think that's the type of modeling or type of program we want to put in place. We want to bring high-levy districts down and get them closer to the lower-levy districts, while also reducing the low-levy districts by including funding for them as well. So I'll stop there and if you have any additional questions, I'd be happy to answer them.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

MURMAN: Senator Linehan.

LINEHAN: Thank you, Chairman Murman. Thank you very much for being here.

DAVE WELSCH: Sure.

LINEHAN: I think you might know more about this than-- so you're for this? I don't-- I'm confused about what you're for and what you're--

DAVE WELSCH: I'm for LB583, especially for the SPED increase, but I do believe that that needs to stay inside the formula like it currently is. We've been pushing for SPED reimbursement increases for, for decades, as I think someone mentioned. Fully agree with that.

LINEHAN: Well, you can't--

DAVE WELSCH: I also believe that--

LINEHAN: What-- I'm sorry. Why do you think it should stay inside the formula?

DAVE WELSCH: Because equalized schools, SPED costs are included in our basic funding. That's part of the TEEOSA formula that determines our equalization aid. When those costs are included there and, and those costs and all of our other costs are greater than what our local resources are, then we receive equalization aid. So we're being reimbursed for those SPED costs through equalization aid. The increased level of SPED support would then be outside the formula. So we've already gotten reimbursed for it once through equalization aid. Now we would get that reimbursement again outside of the formula. That's my understanding. You've got an expert in the back over there that could answer that question maybe better than I could, but that's my understanding and a lot of my understanding comes from Bryce Wilson. If, if you want to--

LINEHAN: [INAUDIBLE]

DAVE WELSCH: --if you want to question-- if you have a question about school funding, that's the guy to turn to. And he's been very helpful and, and I'm sure all of you have talked to him many times as well.

LINEHAN: But you support the \$1,500 per student.

DAVE WELSCH: Yes. And if you look at another handout that I had in there, I think it's titled, Combining LB583 and LB320, obviously, I didn't have time to go through all of that. But the main points there, if you look at the, "Combine LB583 and LB320," we need to increase SPED reimbursement to 80 percent, needs to stay inside the formula as it currently is. We need to lower valuations within the formula and I'm talking inside the formula, not what we're assessed against. And ag should go down from-- currently, it's at 72. Bring it down to 42. Residential and commercial property from 96 to 86. If you-- you know, ag land tripled in value in eight short years and it's still tripled in value today and that really threw TEEOSA formula out of whack. All, all equalization aid-- almost all equalization aid left rural Nebraska on that alone. Equalization aid has left urban schools because we've increased the local effort rate from 95 cents back in 2007 to \$1 and it went up from there and it's back down to \$1 now. The-- a fact that I think a lot of people don't recall is back in 2007, prior to ag land values going up, we had over 200 equalized schools in this state. The TEEOSA formula was working. And now we have 86 equalized schools and if LB583 stands alone, we'll have 64 equalized schools. We're going the wrong direction for TEEOSA to be effective. It is needs minus resources creates equalization aid. So if we can get back to the vast majority of schools being equalized, which is what this combined-- combining these two bills would do, we've got a great package here. And the Governor is very committed to putting more funding into schools, which is greatly appreciated, but we just need to do it in the right way. To go on through there, the last two points of these combined bills would-- could prove a 10 percent of basic funding for schools. The reason we need that component is because, as was mentioned in earlier testimony, there's schools that are well over \$15,000 in their cost. That would help there. And at the end, there's still about 24 schools that aren't up to \$1,500 per student and therefore, we-- I, I agree with Governor Pillen's plan to provide at least \$1,500 per student across the state.

LINEHAN: Thank you very much.

MURMAN: I have a question, I guess I don't need to raise--

DAVE WELSCH: Let's hear it.

MURMAN: --my hand. When you're combining the two, are you including the 3 percent cap then on spending?

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

DAVE WELSCH: Yeah. Neither one of these bills have any caps in them. That's a separate bill that Senator Briese has introduced. I think it-- the soft cap, I think, is much more palatable to schools and what it has been in the past. We appreciate his efforts and working on that. You know, I'd, I'd have a few recommendations for that on the, on the percentages you need for school boards to override that. But, you know, I-- if that has to be part of the package to get enough votes to get increased funding for schools, then that's maybe the way it is. But, you know, it would just be part of the discussion and compromise as we move forward. So, yes, I strongly believe in lowering property taxes and mine doubled in five years when valuations went up and our equalization aid went down at Milford.

MURMAN: Yeah, we'll discuss that more next week, I'm sure, so--

DAVE WELSCH: Sure.

MURMAN: --any other questions for Mr. Welsch? Thank you very much.

DAVE WELSCH: Thank you very much.

MURMAN: Thank you for all your work.

DAVE WELSCH: It takes a little research. You can understand what TEEOSA is.

MURMAN: Any other proponents? Any opponents for LB583? Good afternoon.

REBECCA FIRESTONE: Good afternoon. Good afternoon, Chairman Murman and members of the Education Committee. My name is Rebecca Firestone, R-e-b-e-c-c-a F-i-r-e-s-t-o-n-e, and I'm executive director of OpenSky Policy Institute. We're testifying in opposition to LB583 today for a few reasons. To be very clear, we commend the Governor and Senator Sanders for their efforts to direct more state dollars to K-12 education and particularly to increase the state's commitment to funding special education. OpenSky is on the record as recommending that the most sustainable mechanism for providing property tax relief for the state is increasing the commitment through K-12 funding at the state level. However, we're concerned about how this measure will interact with proposed property tax caps to decrease school funding overall and we're concerned about the long-term sustainability of LB583, particularly given other components set out in the Governor's proposed tax and education bills. We modeled the effects of LB583 along with LB589, the property tax cap bill, since they're part of a package and we looked at nine different schools throughout the state.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

The special education and foundation prevade-- foundation aid provisions send additional resources to schools. However, each district we modeled lost tax revenue in the first year of implementation because of revenue caps limiting growth. All the modeled districts had valuation growth greater than 3 percent and increased their property tax asking to meet their needs. The increased state aid provided by LB583 ends up being subtracted from the prior year's property tax, tax request and non-property tax revenue under LB589, which means all nine school districts saw revenue losses exceeding their increased funding under LB583. We're also concerned that the \$1,500 foundation aid is a flat amount within the bill without provisions potentially to grow over time with the changing educational landscape. While we appreciate the increased special education funding, we're concerned about the calculation being based on anticipated expenditures as well. Schools are currently reimbursed two years in arrears for actual expenditures for which they must provide documentation. Switching to anticipated expenses could require districts to guess what their needs will be without a process for recapturing any funds distributed that could end up exceeding a school's actual needs. Ultimately, we're concerned that LB583 and LB681 to create the Education Future Fund are at best a mechanism to temporarily direct more funding to K-12 education. And our modeling suggests within seven years, this fund could be substantially depleted. That's why we would recommend a dedicated revenue source for K-12 financing to ensure that schools across the state have a predictable revenue stream. We think this is particularly important in the context of the other components of the bill-- of the Governor's package, which include, through income tax cuts, a revenue reduction of \$735 million by 20-- 2008 [SIC]. We also note that nowhere in the Governor's bills is there discussion on what this additional funding is intended to achieve in terms of student outcomes. This package may direct more dollars to rural and nonequalized schools and achieve reductions in property taxes, but we don't have any measures of the adequacy of funding or the equity of, equity of funding acknowledging that some school districts are going to have different needs than others. We also don't have any estimates of what this would cost our education system to meet student outcomes across all the spending at the state and local level. We would encourage the Education Committee to invest time in exploring these issues and focus on centering kids and student achievement. I'm happy to answer questions.

MURMAN: Any questions for Ms. Firestone? Senator Briese.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

BRIESE: Thank you, Chairman Murman. Thank you for your testimony here today and thank you for this. I'll have to study that.

REBECCA FIRESTONE: You know, I can send you an electronic version so it's easier to digest because I know it's very small.

BRIESE: But one of the takeaways from your testimony, you're suggesting that we have some sort of an escalator in the \$1,500. So it begins to climb at some point because its effectiveness will deteriorate over time.

REBECCA FIRESTONE: Our-- there's-- I think there's two things. There's a lot of moving parts here that we're, that we're trying to tease out in terms of the package. When we grew the amount going into LB583 over time against the amount that's potentially set aside in the Education Future Fund for it, over time, we grew at about 3 percent per year. Over time, by, by about 2030, we saw that the fund could potentially be depleted and that was just assuming that the foundation aid stayed at \$1,500. We are also concerned, however, that education costs change over time and that 3 percent increase in revenue-- sorry, that 3 percent increase over time might not actually account for student needs. But the bill is written right now so that it's a flat \$1,500 and we don't know what-- how student fees are going to change over time, how school needs are going to change over time. Other states, when they do do foundation aid, they may benchmark it or index it to inflation so that it at least adjusts over time.

BRIESE: What, what has the historical growth been in school spending the last ten years? Annually, what's the cumulative average? Right around that 3 percent?

REBECCA FIRESTONE: OK. Senator Briese, I don't actually have that number. We used 3 percent in order to grow it over time because that's a sort of a common growth factor for looking at changes in expenditures over time.

BRIESE: But if it was suggested it was right around 3 percent, a little above, a little below, you wouldn't disagree necessarily?

REBECCA FIRESTONE: Not necessarily, but I'd like to go back and confirm that--

BRIESE: OK. Thank you.

REBECCA FIRESTONE: --so yep.

MURMAN: Any other questions? Senator Linehan.

LINEHAN: I can't recall exactly what you said. It was, like, maybe in the second to last paragraph about needs or outcomes. Did you say something about outcomes?

REBECCA FIRESTONE: Yeah, I was talking about outcomes.

LINEHAN: Well, can you repeat that?

REBECCA FIRESTONE: Sure. So there are-- in the, in the field of education finance, there are those concepts of adequacy of funding, particularly-- which is often benchmarked against student outcomes to sort of see that you have-- that a school system has sort of adequate funding in order to meet a particular set of student outcomes. There's a variety of different ways in which those funding formulas can set outcomes. Our understanding of the literature on this is that typically there's a consensus process by which education policymakers come together and agree on a set of outcomes that they would want a school-- school systems across the state to achieve. And then would go through a process of modeling what it would cost to reach those outcomes. So there's a variety of different ways in which outcomes could be defined.

LINEHAN: So are the-- is the planning process because of how much you have to spend to get those outcomes, is there already a lookback if that worked or didn't work?

REBECCA FIRESTONE: I'm sorry, I'm not quite following your question, Senator.

LINEHAN: Well, if you, if you have a plan that says these are the outcomes we want to have.

REBECCA FIRESTONE: Um-hum.

LINEHAN: And it's going to cost X number of dollars-- you would do this in business.

REBECCA FIRESTONE: Um-hum.

LINEHAN: You'd go, OK, that's our goal. That's how much we're going to spend. And then somewhere out here, you go, OK, we're three years into this--

REBECCA FIRESTONE: Um-hum.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

LINEHAN: --what is the result of what we're doing? Are there studies showing that?

REBECCA FIRESTONE: Let me check and see.

LINEHAN: OK.

REBECCA FIRESTONE: Probably the best place to go is to Kansas because their funding-- their funding formula is based on, like, a base aid for student excellence, which is, I believe, is based on sort of--

LINEHAN: Do they get to student excellence? That's my question.

REBECCA FIRESTONE: Yeah. Let me, let me go back and check and see if I can get some more data--

LINEHAN: OK.

REBECCA FIRESTONE: --for you on, on that.

LINEHAN: Thank you very much.

REBECCA FIRESTONE: Yep.

MURMAN: Any other questions? Thank you very much.

REBECCA FIRESTONE: Thank you.

MURMAN: Other opponents? Good afternoon.

CHIP KAY: Good afternoon. My name is Chip Kay, C-h-i-p K-a-y. Chairperson Murman and Education Committee, thank you for the opportunity to speak today. I'd like to start by complimenting Governor Pillen and Senator Sanders. From a total dollar standpoint, looking at LB583, it certainly could be considered a win for public schools. This is certainly from the viewpoint that serving our special populations in increasing the reimbursement rate for 40 to 80 percent and keeping some of that percentage outside the resources calculation is a very good move. But my concern is that some will make the worst assumption that could be made and that increased special education reimbursement will automatically lead to general fund levies and property tax asking decreasing. This would mean that following the reimbursement, those funds are not necessary to reinfuse back into special education through either additional programs, increased costs or expanded personnel to reduce the increased caseloads. Columbus, like many communities across Nebraska,

have taxpayers that are supporting programs for the public schools and for services we provide to the parochial schools in our community. It would be great if we could make a higher percentage of the SPED reimbursement outside of the resources calculation because that helps both public and private schools. I think we've heard some of the rationale why that may not be able to happen. School districts that are equalized currently will see no increase in aid from LB583 outside of what, of course, is in SPED. The foundation aid simply shifts our equalization over to a different column. What this means is if a district is land rich, they will see property tax relief through foundation aid, where districts of higher residential concentration, which make up the majority of equalized districts, will see little to none. The plan doesn't address the needs formula like current LB522 would do for poverty, another statewide issue. The plan simply says equalized districts are already receiving enough funding without understanding the complexity of student needs. A simple look at general fund levies across the state would likely tell a different story about funding and support. LB583 has the potential to do more. Columbus Public Schools, 84 percent of our general fund budget goes towards personnel or contracted personnel to serve students and necessary operations associated with a large district. I'll answer your first burning question. Only 6.6 percent of that budget is actually attributed to administrative costs. Even the state of Nebraska recognizes 8 percent as a standard of administrative costs when it comes to special services. Now, I did not have an opportunity to see AM194 so it does sound like some of the equitable distribution of the funds may have been addressed with, with the, with the option students. But foundation in itself, if you're going to move-- for equalized districts-- that over, is that truly equitable? What's most concerning is that LB583 doesn't guarantee the future of TEEOSA equalization or addressing the needs formula. When packaged with LB681, which I understand also has had an amendment, the education trust bill and LB589, the cap bill, it further diverts the transparency of the end game. The education trust, similar to what was proposed in LB891 last year, was a well thought out idea. But if funding LB 583 outpaces the education trust, what does that mean when the funds are gone? What is the true sustainability? How is it possible to ensure equalization is protected? Schools seeing the ability to increase funds are still bound by the 3 percent cap and that's based on revenue. Could it mean that a district can't grow fiscally to address the needs of this package? Even with the very thoughtful amendment by Senator Briese, I think the answer could be yes for some districts in Nebraska. If we want to solve property tax issues, it's likely time to address it through statewide tax reform.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

If we want to address public school funding, let's do it with the intent to serve students, provide equitable resources and improve the fiscal position of districts so that we can continue to address staff wages and benefits. At this time, Columbus Public Schools stands opposed to LB583 because we shouldn't settle for good enough when we have the potential to do so much more. And I'll take any questions.

MURMAN: Any questions from Mr. Kay? Senator Conrad.

CONRAD: Thank you so much, Chair-- Chairman Murman. Mr. Kay, just-- this is something that you touched upon that I've been kind of grappling with during this hearing after hearing some of the proponents kind of characterize, you know, this significant policy and financial shift as really just a first step. And so maybe I was picking up a little bit of that same consternation in, in your, in your testimony, your perspective. And I wanted to just tease that out and maybe that's-- if it's not fair, let me know. But is part of your concern is that if we adopt this as a first step, the next logical steps are an elimination of TEEOSA as we know it?

CHIP KAY: Yeah.

CONRAD: Is that overly--

CHIP KAY: I think that's a--

CONRAD: --dramatic? OK.

CHIP KAY: I think that's a fair concern.

CONRAD: OK.

CHIP KAY: Certainly, LB583 does some things to simplify it. And there's certainly been conversations that we could look at a different formula other than TEEOSA, which is complicated. Now TEEOSA does protect the equitability of and the differences of the districts. And so without TEEOSA, there's likely not equalization. I think that's fair to say that they go hand in hand, at least until, at least until something different is presented.

CONRAD: Very good. Thank you.

CHIP KAY: Yeah.

MURMAN: Any other questions for Mr. Kay? If not, Thank you.

CHIP KAY: Thank you.

MURMAN: Good afternoon.

SPENCER HEAD: Good afternoon, Chairman Murman, members of the Education Committee. My name is Spencer Head, S-p-e-n-c-e-r H-e-a-d. I'm the president of the Omaha Public Schools Board of Education. I'd like to start out by thanking Governor Pillen, Senator Sanders, Senator Briese, the other Senators and introducers of this, this package of bills. We appreciate you including us in the conversation, working with us and allowing us to, you know, work with you to explain the unique challenges that the equalized districts, specifically OPS, face in the, in the education environment. So I'm appearing before you today on behalf of the Omaha Public Schools in opposition to LB583. To simply put it, our opposition is a philosophical one. While we applaud the inclusion of the language to increase special education funding to 80 percent of anticipated expenditures, we simply can't support the bill as written. And so our district's position is more of a principled one. It's been a consistent position of OPS that we oppose foundation aids as it's inherently disequalizing, it's unfair to our taxpayers, students and, and constituents. Equalization aid, as you understand, is the difference between needs and resources. For more than 30 years, our state's approach to school funding has been fairly straightforward. School districts that have higher resources, the needs-- sorry needs than resources, receive equalization aid through TEEOSA, school districts that have higher resources than needs receive no aid. It's pretty simple. LB583 and various other bills over the years that seek to add foundation aid, regardless of whether inside or outside the formula, are simply efforts to reallocate state resources to districts that under current law, don't require additional state resources. To be clear, they may want additional state resources, but they don't need additional state resources, because they have sufficient local resources. I understand why this comes up every year. As local resources have increased due to significant increases in property values, many school districts no longer receive the equalization that they used to. While LB583 includes foundation aid as a formula resource, that ultimately has no bearing on school districts who already have more needs than resources. It is simply an increased estate-- of state funds of \$1,500 per student, which further exacerbates the, the disparity in local resources between equalized and not equalized school districts. I see that my yellow light is on. I've got a little bit more here, so I'll email out a copy of this to everybody else. But with that, I, again, appreciate,

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

appreciate being included in the conversation and I'm happy to take any questions you have. Thank you.

MURMAN: Thank you. Any questions for Mr. Head? Senator Linehan.

LINEHAN: So your-- thank you, Chairman Murman. I'm sorry. And thank you, Mr. Head, for being here. So if we took the \$1,500 dollars out, would OPS at least support 80 percent special ed?

SPENCER HEAD: So we-- we've consistently supported the 80 percent special ed, I know we were here last week in support of Senator Wishart's 80 percent special ed bill and I know that's a little bit different because it leaves that inside the formula versus outside like this. Our, our problem has historically always been the foundation aid. So if we--

LINEHAN: OK. So, you, you support 80 percent-- you came in last week and supported Senator Wishart's 80 percent.

SPENCER HEAD: Um-hum.

LINEHAN: OK. So what you don't like about this--

SPENCER HEAD: Is the foundation fee, is correct.

LINEHAN: OK. Thank you very much for being here.

SPENCER HEAD: Yeah. Thank you, Senator.

MURMAN: Senator Briese.

BRIESE: Thank you, Chairman Murman and thank you for your testimony here today. I heard the word disparity in your comments there.

SPENCER HEAD: Um-hum.

BRIESE: Would I be correct in calculating that the state provides roughly two-thirds of OPS's operating budget?

SPENCER HEAD: It's roughly half, I believe. We've got our finance guys behind me. If you have any specific questions, he'd be, he'd be able to come up and answer those, but it's roughly half.

BRIESE: But I see that-- I think you receive close to 55-- close to \$5,600 per student in state aid, overall state aid with \$8,600 per student cost. And to me, that calculates out to about 65 percent.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

Have you ever calculated what that percentage would be for a rural, unequalized district?

SPENCER HEAD: It would be a lot less.

BRIESE: OK. So if I told you--

SPENCER HEAD: And so--

BRIESE: --if I told, if I told you 6 percent back where I come from?

SPENCER HEAD: Sounds about accurate.

BRIESE: Yeah.

SPENCER HEAD: So. And--

BRIESE: I could, I could find districts even less than that, probably 1 or 2 percent, if even that.

SPENCER HEAD: --and so, Senator, when we're, when we're talking about disparity, we're looking at our, our taxpayers are contributing the maximum \$1.05 or as some districts are, are at \$0.60. And, you know, that's a, that's a local decision. That's, that's fair. We're not, you know, we're not saying there's anything wrong with, with the school district making that decision. But the \$1,500 foundation aid, for us, goes in one pocket and out the other. And so our taxpayers are still paying \$1.05, where as theirs are going to be going down to \$0.55, \$0.53, whatever it may be.

BRIESE: But in the face of that disparity between state funding of rural districts versus urban districts, you still don't want to send a dime out to rural districts in the form of foundation aid.

SPENCER HEAD: So it's, it's not that we don't want to send a dime out to them. And again, we were, we were here last week in support of Senator Wishart's bill, which, leaving special ed inside the formula, that wouldn't benefit us at all. But it would kick money out to those unequalized districts through, you know, through their formula resources. And so it's not that we're opposed to them. It's looking at the, the TEEOSA formula and how are you defining equitable? Is that equitable for the school district? Is that equitable for the student or the taxpayer? And we're looking at, at the formulas, trying to be equitable for how we fund school districts and how we educate students and how much money we have to educate students versus, you know, what may or may not be equitable for the taxpayer.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

I think if we want to have a property tax conversation, that's a, that's a good conversation to have. But that, that shouldn't necessarily be part of how we fund schools.

BRIESE: Well, I appreciate your perspective and appreciate your support of the increased SPED funding, inside or outside.

SPENCER HEAD: Thank you, Senator.

MURMAN: Any other questions for Mr. Head? Senator Conrad.

CONRAD: Thank you so much for being here. Appreciate your testimony and, and I really appreciate your perspective, just in regards to kind of broader policy or philosophical kind of components that have to be a part of the nuts and bolts work, as well. But, you know, I know this is something that you probably hear from your constituents. I hear a lot from my constituents in Lincoln, like but our property is valued at 100 percent. And, you know, that doesn't seem fair to us, kind of thing. So, you know, I, I, I'm just trying to, to get an understanding because I think our values are the same. We all want Nebraska kids to succeed. We understand that this urban/rural divide is counterproductive to that goal. So we're trying to figure out how to allocate resources to, to make that work, but we also have different needs in different communities kind of thing. So would you be concerned from OPS's perspective if, indeed, this measure is fairly characterized as a first step and would be, you know, take us down a path of eliminating TEEOSA as we know it?

SPENCER HEAD: Yes, absolutely. So now that was the second page of my testimony, which--

CONRAD: OK.

SPENCER HEAD: --I'll, I'll, I'll, I'll send out to everybody if you, if you care to see it. So we, obviously, as Senator Briese noted, rely, you know, heavily on, on state funding. You know, looking at the LERs of dollars, our local resources are roughly 50 percent of our general fund budget. And so we rely on the state to come in with equalization and backfill the rest of that. And so, you know, not necessarily this bill, but one of the, one of the partner bills in the package creates the, what do you call it, the Education Future Fund--

CONRAD: Right. Right.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

SPENCER HEAD: --which prioritizes funding the foundation aid, funding the special education at 80 percent, but it doesn't, it doesn't prioritize or allow money to go towards equalization. And so that's one of the things that would really help us get on, get on board, is not only include equalization as a permissible use of that, but also prioritize it. Because we've seen, you know, 23 of the last 25 years, the state in some way or another has come in and tweaked the TEEOSA formula, you know, and, and good or bad and, and so allowing, allowing the state to use those funds to fund equalization, for us, would make us feel a lot more comfortable. You know, I can't guarantee that it would get us on board, but it would, it would, it would at least make us a lot-- it would make it a lot more palatable.

CONRAD: I appreciate that. Thanks.

SPENCER HEAD: Thank you.

MURMAN: Any other questions? Senator Linehan.

LINEHAN: Thank you, Chairman Murman. You just said 23 out of the last 25 years we tweaked TEEOSA. We haven't tweaked it since 2017.

SPENCER HEAD: So that's what the finance folks behind me told me, so. They're, they're up next.

LINEHAN: All right.

SPENCER HEAD: They're up next. Sharpen your spears [LAUGHTER].

LINEHAN: OK. Oh, you are bringing finance-- I've been nice. You are bringing finance people.

SPENCER HEAD: Yes. Yes. We came prepared.

LINEHAN: Well, that's real good. Thank you. Excellent. Thank you, Mr. Head.

MURMAN: Any other questions? OK. Thank you.

SPENCER HEAD: Thank you.

SHANE RHIAN: Good afternoon, Chairman Murman, members of the Education committee. My name is Shane Rhian, S-h-a-n-e R-h-i-a-n, and I'm the chief financial officer for Omaha Public Schools and I'd be happy to answer any questions.

MURMAN: Any questions for Mr. Rhian?

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

LINEHAN: I'm going to go there because I don't-- but-- so you came in and supported Senator Wishart's bill or your school did?

SHANE RHIAN: We did. Yes, ma'am.

LINEHAN: OK. All right. We can talk. We don't need to stay here all night arguing about which years we tweeted [SIC] what but--

SHANE RHIAN: OK.

LINEHAN: --we haven't tweeted [SIC] it lately.

SHANE RHIAN: I would agree that the last adjustments that have been made to the TEEOSA formula were to move it back to a more normal state and were the benefit of school districts. Our concern with the legislation package as proposed, including the proposed reductions to state revenue, would be that equalization aid would be potentially cut in the future since it's outside of the future-- Education Future Fund. And we've seen the state reduce TEEOSA in equalization funding in the past, in times of reduced state general fund.

LINEHAN: But not 23 out of the last 25 years.

SHANE RHIAN: We didn't say all of the tweaks were in the negative.

LINEHAN: That's very tricky. Thank you. OK.

MURMAN: Any other questions?

SHANE RHIAN: Thank you very much.

MURMAN: Yeah. Thank you. Any other opponents for LB583? Anyone want to testify in the neutral position? Good afternoon.

LARRY SCHERER: Good afternoon. My name is Larry Scherer, and for the-- L-a-r-r-y S-c-h-e-r-e-r, and I'm here mainly as a-- provide a little historical perspective. I'm not employed by anybody. I am not lobbying for anybody. I do think my property taxes are too high on our acreage and I live in Malcolm, but there's a lot of reasons for that. So I, I would just say, I share the con-- I shared the concern about the option funding. I haven't seen the Governor's amendment, but I think that takes care of it. I stapled one on the back. If it's, if it's any different, you know, use whatever you want to. The other issue on option funding, I think, Senator Wayne has put his finger on something that's going to put a-- take a little time to unravel and that is how we fund option students, generally, from the

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

start. And, you know, I-- when this first came in, I was here 33 years ago and looked a little bit like you did-- you do now-- and there were only a couple hundred students. Senator Baack wanted to promote it and so there was a fairly generous figure put in there, statewide average expenditures. I think it's time to take another look at that. But that's not-- may not be something you can do in a quick time frame. I share the concerns about the foundation aid, not from the standpoint of its fairness. I think putting a certain amount of basic funding that goes to everybody is probably a good idea, but the, you know, the future idea of what's going to grow in the future. When I, when I-- when we started this and took the 59, foundation aid was 3 to 1. And equalization aid was the one. So one of the things I'm concerned about is, is that, you know, I like the idea of the Future Education Fund, but is there potential growth in that for normal growth and equalization in basic funding? And it's late. I know that you all want to get some answers from people that have a lot of numbers, so I'll just end right there. If there's any questions I will try to answer or you can call me later.

MURMAN: Any questions for Mr. Scherer?

LARRY SCHERER: Thank you.

MURMAN: Senator Conrad.

CONRAD: Oh, thank you. Thank you. Good to see you, Larry. You know, I was just reading Senator Jerome Warner's biography over the holidays and there was a lot of discussion about the, the history, that you were on the front lines of, of developing this proposal. And, you know, I, I don't think that we should dig in our heels from a policy's perspective just because we've always done it that way. Right. Just-- or out of a sense of--

LARRY SCHERER: Yeah.

CONRAD: --sentimentality, but we should be open-minded if there are better approaches to, to meet our policy goals and the needs of our state. So I'm trying to, kind of, wrestle with the, the promises previous legislatures have made to their citizens through crafting these formulas and then, you know, listening to folks like Senator Briese's constituents really loud and clear that this isn't working for us. We need--

LARRY SCHERER: Right. Right.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

CONRAD: --we need some relief. We need to figure out how to, to update, modernize or, or make some of these aspects work a little bit better for, for everybody in the state. So--

LARRY SCHERER: Totally agree.

CONRAD: --I'm just, you know, trying to, to think through how, you know, we can find the right balance as, as policymakers to keep our promises, to be clear with our constituents that-- you know, if our ultimate goal is to move away from equalization and to start down a path of simply foundational aid per pupil, what have you, I just, I just want to make sure that we're clear about that goal. Right. And I just-- I'm feeling a, a creeping sense that that might be where we're headed with this proposal and that makes me a bit more nervous than the proposal itself. So that's a long-winded explanation.

LARRY SCHERER: Right. Right. Yeah. I share that concern and I, I do think it takes a, a deeper look at, you know, each school district's needs. They're far, far different, you know, across the state. And our formula maybe isn't addressing all of those need factors as well as it should and so it will take some real thought and digging in. I, I think you should ask Dave Welch what he would do and probably he has a good handle on it.

CONRAD: Well clearly, he's provided us a lot of really in-depth information.

LARRY SCHERER: Yeah, he's been sending this for, for as long as I have.

CONRAD: Yeah. And then the last question, Larry, just so that I can make sure I have it square in my head, I remember a little bit of this from when I was wearing my appropriations hat, but this is a little bit different from the education lens. There's a lot of other streams outside of TEEOSA itself or equalization aid that, you know, are part of the funding puzzle or the resource provision, either from the federal, state or local effort--

LARRY SCHERER: Right.

CONRAD: --that's out there. Can you just help us to maybe just have a, you know, what do they call it, a Twitter-esque 140 characters? I don't know if that's possible, but just like-- just tick off maybe some of those, those big ticket items in terms of other revenue streams that, that help us advance our educational goals.

LARRY SCHERER: Yeah. I'm, I'm not a tweeter, but there, there's a--

CONRAD: I'm not either.

LARRY SCHERER: --there is the school lands and funds money that goes out to everybody. It's not a huge amount. There-- you know, the special education money as, as Dave mentioned, is in the formula now through basic funding. So that's, that's there. The option funding is, is a big amount now, the tax-- the income tax money--

CONRAD: Right. Right.

LARRY SCHERER: --is sitting there. It was intended to be much, much larger than it is right now. And it has a little bit of a, of a wealth factor in it. In fact, I'd, I'd say a lot. Income relates a lot to, to wealth of a district, but it's not measured very well right now. So again, there are, there are a number of things, but those are maybe the big ones I could think of.

CONRAD: That's, that's helpful. Thank you.

LARRY SCHERER: Um-hum.

MURMAN: Any other questions? Senator Linehan.

LINEHAN: Thank you, Chairman Murman. Isn't one of the problems with the income tax percent going back, it makes the rich richer?

LARRY SCHERER: Well, it, it is included as a, as a resource, I believe, in, in the formulas.

LINEHAN: But if you're an unequalized school district and--

LARRY SCHERER: Yeah, yeah.

LINEHAN: --then wouldn't it make the rich richer?

LARRY SCHERER: If you-- yeah. It, it is unequalized in that, in that sense.

LINEHAN: Right. Well, 'cause--

LARRY SCHERER: Yeah. So I'm, I'm just saying income-- well, the way we value property right now only looks at, you know, the traditional methods of valuation. Using an income factor in that, which really doesn't relate to our rebate, it relates to how much that property is earning over time.

LINEHAN: But I am talking--

LARRY SCHERER: I think-- pardon?

LINEHAN: I really appreciate-- first, I should have just said this first. I really appreciate you being here, because I've heard you talked about for the whole time I've been in the Legislature, that you would have the answers, so here you are. But I'm talking about the repay part. You're an unequalized school district, you get your income tax back, it, it would make the rich richer, I think, is what I've heard. Not equal. It's not part of the-- because we're down to what? We've got very few equalized school districts, so.

LARRY SCHERER: Right. Very few equalized districts?

LINEHAN: Very-- well, a lot less.

LARRY SCHERER: Very few equalized districts and I understand the foundation aid could make that even less, so. Yeah, I, I think that the, the income tax rebate, if you will, should go into a state coffer and then be redistributed through equalization, as opposed to each district getting back what they're, what they're getting, what they raise.

LINEHAN: So you don't think--

LARRY SCHERER: So I mean, I, I don't-- I'm not saying income as the way it is now, but in the future it--

LINEHAN: So let me say this. You'd think that the 2.5 percent rebate should just go away and we should just put it all in the formula. Some of it.

LARRY SCHERER: I think, I think the 2.5 should be 20 percent and that 20 percent should go into the equalization funding fund, perhaps the Education Forward Fund. And that is used to stabilize the formula over time. That's, that's kind of what I'm thinking, but.

LINEHAN: OK. OK.

LARRY SCHERER: A lot of bells and whistles to deal with.

LINEHAN: That's-- LB1059 wasn't-- didn't include the option funding, right? That was a different bill, which [INAUDIBLE].

LARRY SCHERER: Right. Right. Right. Yeah.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

LINEHAN: Was that in the same time frame or?

LARRY SCHERER: It was it came in, I believe, a year after that--

LINEHAN: OK.

LARRY SCHERER: --or a year before. And, you know, it was just hard to get 25 votes for something that was new. Minnesota and a few other states had it, so they made the funding fairly attractive to the districts that were receiving the district. But perhaps, in the light of the way the equalization formula has grown and it has grown, it need-- it needs another look.

LINEHAN: OK. Thank you very much.

MURMAN: Any other questions? Senator Wayne.

WAYNE: Do you think TEEOSA still-- we should still be using the basic formula today that, now that you've watched it-- and watched how education has changed from online learning to split classes to-- I mean, even inside of Omaha, you have an unequalized school district that benefits from option enrollment. You can literally drive through one part of the city and go through multiple districts. Do you think the formula over the years can currently match the needs that are actually out there?

LARRY SCHERER: I think it does a, a decent job of looking at the needs as, as we know them. Have needs grown? You know, the, the technology is, is way, way different than it was then.

WAYNE: I know, but in your testimony, you said, why should we settle for good and we can do great. So don't you think at this point, we should maybe look at the entire TEEOSA and maybe go for great?

LARRY SCHERER: I'd say perfect is the enemy of the good. And you got something, I think, is good still-- can be. I, I agree with your feelings on the option funding part of it, but any new system, as long as it has an equalization basis in it, as one part, one big part. You know-- and I haven't looked, I haven't looked at the bills--

WAYNE: What do you mean by equalization?

LARRY SCHERER: --for, for five years.

WAYNE: What do you mean by equalization basis?

LARRY SCHERER: So that the educational opportunities for kids are matched up to the district's ability to pay for those educational opportunities. There has, there has to be-- that has to be there on both sides. I do. I do think, you know, the way we, we value property now, if, if it's changed out, you know, within the formula or outside the formula, that would help more than a lot of the things we're looking at right now. But those are tough, those are tough.

WAYNE: Thank you.

LARRY SCHERER: Yeah.

MURMAN: I have a question.

LARRY SCHERER: Sure.

MURMAN: You-- if I understood you correctly, you said that property is a better estimate of wealth than, than income?

LARRY SCHERER: No. I did not say that. I did not say that. I, I would say for the ongoing cost of a school system, income could be better than property. But, you know, property sitting there, it's hard to avoid taxing it when it's just out there. Income is squishy. I mean, income moves around and it's, it's more difficult. But that's why I think there is-- you know, it has to be in there, but it's, it's not an easy thing to do. No, I, I don't. I just, I just said the opposite of that. If I, if I misspoke, it's, it's because, you know, I've been out of this for too long.

MURMAN: Because the-- in the biggest part of our state, the measure of wealth is property, as far as funding schools.

LARRY SCHERER: It is. It is.

MURMAN: That's, that's what we feel is unfair.

LARRY SCHERER: I, I know. I know. And I, I think there's a certain amount of validity to that. I grew up on a farm and live on an acreage, but my friends at other places would say maybe, not right, but I don't care. I retired.

MURMAN: Well, some of us still do care. [INAUDIBLE].

LARRY SCHERER: I, I appreciate that. I appreciate that very much.

MURMAN: Thank you. Any other questions? Thank you very much.

LARRY SCHERER: Yeah. Thank you.

MURMAN: Any other-- I guess we're in the neutral position.

KYLE FAIRBAIRN: Chairman Murman, members of the Education Committee. My name is Kyle Fairbairn, K-y-l-e F-a-i-r-b-a-i-r-n. I represent the Greater Nebraska Schools Association, GNSA. Our organization is made up of 25 of the largest school districts in the state and we represent over 70 percent of the children in this-- in the state and over 88 percent of the minority children in the state. I come today in a neutral position on LB583, but I do want to thank Senator Sanders and Governor Pillen for bringing this bill. It's been a long time since we've had a bill come forward on education that increased the funding for all schools in the state. We have had lots of, lots of opportunities and lots of bills have come through lower property taxes and a lot of that has been done, but there's been very few that came after and increased money for education. GNSA still has a couple of issues with this bill that we would like to see changed as it moves across the stages. The \$1,500 per student does not affect schools that are equalized much at all in the state. It does affect a couple of them. Equalized school districts in the state make up 14 of the top-- the lowest spending 15 school districts in the state. Six of those are-- the, the lowest six spending school districts in the state are all GNSA schools. They receive little increase with the \$1,500. I'm going to give you an example of what the difference is in Bennington Public Schools. Bennington Public Schools, right now, spends \$11,200 per child. This is the lowest spending school district in the state by some amount. Under this bill, they would receive nothing under the \$1,500 per student and they would get about \$200 per student in the ed-- in the special education fund. That's about the lowest amount any district's going to receive in special education increase. A district less than 20 miles away, that in, in Senator Briese's definition of what can increase their, their school district levies and in his bill, that is an average-sized district, medium-sized district they spend \$6,000 more per child than Bennington Public Schools does. That district has a levy \$0.34 less than the general fund levy of, of, of Bennington. They spend \$6,000 more and under this bill, they're going to get \$2,048 per student versus Bennington's \$200. That's not fair, not when you're the lowest spending school district in the state. That's one of the things we would like to see move to the \$1,500 dollars includes every student in the state, not just nonequalizings. Special education, I've talked to Senator Sanders about this. We, we greatly appreciate the 80 percent movement on special education. We would like to see that, instead of 30 percent, up to 40 percent if we're not going to get the

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

\$1,500 to move that amount greater, so that we will have-- to be able to have some property tax reduction, also. We also are concerned about the, the abilities of-- to have stability in this funding. Right now, there's bills on-- in the legislative session that spend more money, that cut income taxes, that add additional funding for property tax relief and ask--also a bill to add income tax incentive to fund private schools, that in a few years could increase to over hundreds of millions of dollars. That is a concern that we won't be able to fund this program. Again, Senator Sanders, Governor, thank you very much. We really appreciate increasing education funding. It's very important.

MURMAN: Any questions for Mr. Fairburn? Senator Linehan.

LINEHAN: So I don't have to spend hours trying to figure this out, what is the school that's 20 miles from Bennington that spends \$6,000 more per student?

KYLE FAIRBAIRN: Springfield.

LINEHAN: Springfield. And is that-- is this just general fund spending or is that all in?

KYLE FAIRBAIRN: All I'm comparing, Senator, is the per pupil expenditure in the school districts presented by the Department of Education.

LINEHAN: So it's general fund?

KYLE FAIRBAIRN: Yes, ma'am.

LINEHAN: OK. Thank you.

MURMAN: Any other questions? If not, thank you very much.

KYLE FAIRBAIRN: Thank you.

MURMAN: Any other neutral testifiers? Good afternoon.

TERRY HAACK: Good afternoon, Chairman Murman and members of the committee. My name is Terry Haack. I'm the superintendent of schools, Terry, T-e-r-r-y H-a-a-c-k, superintendent of schools for Bennington Public Schools. We provide neutral testimony today. I won't go into everything here. Just a couple of stories. Bennington Public Schools supports and appreciates what the Governor has done, providing more money for education. We certainly support the special ed increases,

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

but just a couple of stories. Bennington Public Schools opened two new buildings this past year, has increases over the last 10 years of 12 percent in budget increase. That would be alarming to most people until you consider that we had 10 percent annual growth in student population. When we look back, our per pupil cost with that 12 percent growth in budget is only increased 2.6 percent, where the annual per pupil cost in the state has been about 3.5 (percent). And Senator Briese, I think that answers a question that you had earlier. So we've been under that 3 percent even though we have a 12 percent growth in budget. You have to take into consideration that Bennington, like other growing school districts, is an outlier and not everything one size fits all. So we're looking for some latitude, to talk with Senator Sanders, the Governor, the committee, to look at growing schools. When you look at Bennington Public Schools, it's difficult to fit into a bill as we look at today. We understand that this is a package. We do have some concerns with the levy limit. If we were to increase with regular growth of 7-10 percent, I understand the amendment would help in that regard, but it still creates a catch-up mode for Bennington Public Schools, as we, at times, will have 7-10 percent growth, but we're also going to be opening new buildings. So it limits the ability for us to have enough revenue for that to move forward. As an example, we split one oversized school, middle school, into two. We added 47 new teachers to that budget last year and we still had a higher class size in our middle schools, because we didn't have enough revenue to hire enough teachers for that. Thus, we need 2-3 years to make those things happen again. That's the story of Bennington. Appreciate GNSA. To add to that, I'd be happy to take any questions.

MURMAN: Any questions for Mr. Haack? Senator Linehan.

LINEHAN: Thank you, Chairman Murman. Thank you very much, Dr. Haack, for being here. On the new building monies you get in the formula, does that-- you have to wait two years to get that? Does that come before--

TERRY HAACK: No. We--

LINEHAN: --and is it enough?

TERRY HAACK: Well, you got a loaded question there, Senator. It belongs in the TEEOSA formula.

LINEHAN: OK.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

TERRY HAACK: It provides 20 percent of what that student capacity is for the building. It comes in two years. So the year you open, you receive the 20 percent and the next year you receive the 10 percent and then it should be a part of your formula needs as you move forward. Is it enough? You have to couple that with what your community needs are. And I would say as you look at elementaries as opposed to middle schools and then high schools, I don't know that it would be enough for high schools. It's barely there for middle schools and I think it's appropriate for elementaries, but it is one size fits all for them.

LINEHAN: So I think-- OK. So that's an adjustment, maybe. The thing that I think a lot of people don't understand that don't live in Elkhorn, aren't blessed to live in Elkhorn, Bennington or Gretna is our general fund levy, \$1.05, is also on top of that. What is in Bennington, what's your bonding?

TERRY HAACK: Well, we have, we have \$1.05 general fund and we have a \$0.38 bond for \$1.43.

LINEHAN: \$1.43. And I think Elkhorn's right there and I think Gretna might be above that.

TERRY HAACK: Yes, that is true.

LINEHAN: OK. Thank you very much.

MURMAN: Any other questions? Senator Wayne.

WAYNE: Do you think the formula is working?

TERRY HAACK: Senator, I do think the formula is meeting some of the needs that we have in the state. As an example, we have 42 percent of our general, our general fund budget is state aid. If we were to eliminate that, we would have to raise our \$1.05 to just about \$2 to have the lowest per pupil cost in the state of Nebraska. So there is a need for TEEOSA.

WAYNE: I'm not saying there's not a need for state aid, I'm asking is TEEOSA working? And your, and your answer was for some students.

TERRY HAACK: I-- Senator, I think the mechanism is there as the testifier before me said. There are some adjustments that can be made, but I think it is a necessary component of funding for the state of Nebraska.

WAYNE: That was a very good political answer.

TERRY HAACK: Well--

WAYNE: You got a--

TERRY HAACK: --I am not running, I am not running for office.

WAYNE: So we go, we go way back to the learning community days when I was on the learning community and we had these conversations. So I appreciate it.

TERRY HAACK: Thank you, Senator.

MURMAN: Any other questions? Senator Briese.

BRIESE: Thank you, Chairman Murman. Thank you for your testimony here today. A growing district like yours, you increased student enrollment by 10 percent--

TERRY HAACK: That's on average.

BRIESE: --one, one year. Well OK, on average. What does 10 percent increase in student enrollment do to your costs on average? What, what percent? It's not one-for-one, is it?

TERRY HAACK: Well, if you look at a per pupil cost, which I think is a fair assessment, it typically raises at about 2 to 2.5 percent. Now, that varies. If you're opening a building, those per pupil costs are going to go up.

BRIESE: Yeah. In the current iteration of LB589, I believe the amendment allows for an adjustment for student growth, I think 0.25 percent. And that matches with what you're saying there.

TERRY HAACK: If I--

BRIESE: Go ahead.

TERRY HAACK: --if I'm reading the amendment, it's 20 percent of growth, is that correct?

BRIESE: Pardon?

TERRY HAACK: If I'm looking at the amendment and I haven't read it because it came out today. But my understanding is the first part was 40 percent of growth. The amendment, I believe, is 20 percent.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

BRIESE: I think you're right. I just said 25.

TERRY HAACK: OK.

BRIESE: I think it is 20.

TERRY HAACK: So if you take 10 percent growth, you're adding 2 percent plus the 3 percent. And if your board approves, you have another 5 percent. Is that correct? So--

BRIESE: Depends on your size.

TERRY HAACK: --now you're equal to 2 percent-- now you're equal to 10 percent student growth. That doesn't allow for anything for inflation or employment raises that go along with that.

BRIESE: But you just-- but didn't you just say that student growth of 10 percent increases costs 2 percent? So 20 percent--

TERRY HAACK: On a per pupil cost.

BRIESE: --which [INAUDIBLE].

TERRY HAACK: So what I said earlier was our budget, over the last ten years, has average growth of about 12 percent with a 10 percent student growth.

BRIESE: OK.

TERRY HAACK: So a per pupil cost I think is a better way to look at that--

BRIESE: OK.

TERRY HAACK: --which is about 2.5 percent.

BRIESE: OK. Thank you for the explanation.

TERRY HAACK: You're welcome.

MURMAN: Any other questions? Thank you very much.

TERRY HAACK: Thank you for your time.

MURMAN: Good afternoon.

BRETT RICHARDS: Good afternoon, Senator Murman, Education Committee. My name is Brett Richards, B-r-e-t-t R-i-c-h-a-r-d-s, and I'm the assistant superintendent of business services at Papillion La Vista Community Schools. First of all, I want to thank you for your hard work as senators of the Nebraska Legislature. Nebraska Public Schools rank among the top in the nation because of your support and caring of our public schools. You and your predecessors should be very proud of this and it's not everywhere in a country like this. I also want to thank our Governor, new Governor, Governor Pillen for his support and proposed new funding for school districts in Nebraska in his three-bill package. Also, thank you to Senator Sanders, Briese and Clements for sponsoring these bills as part of the package. I want to start by saying our school district is testifying neutral, first, because we haven't had a chance to speak to our board as a whole thoroughly enough for me to represent either a positive or a negative against this bill. And second, because there are a few items we'd like to bring to your attention and hopefully continue to work with you on solutions. Today, I'd like to try and give you information on how state aid and property taxes interact for Papillion La Vista Community Schools. Any of the information I have handed out and the chart that is being passed around is available through the Nebraska Department of Education or through the State Auditor's website. State aid and property tax asking are the two largest revenue streams a school district receives. They're also the two main revenues we plan and project with each year to develop our budget and make sure we are able to cover our costs for the upcoming year. On page 3, I have attached a chart where you can see the assessed value has gone up 22.2 percent over the last three years in Papillion La Vista Community Schools. State aid is decreased by around 16 percent over that same time because of that valuation growth. When assessed value goes up, state aid goes down and the property tax asking has to go up to make up the difference, so we're able to sustain a long-- sustain as a school district. Also on the chart on page 3, when combining the two largest revenue streams for state and property tax asking amounts, Papillion La Vista's averaged 2.29 percent per year in revenue growth asking for the last three years. That's fiscal responsibility from our Board of Education and administration. I know there are many other equalized districts that have the same stories, but we do get questioned sometime by senators and our taxpayers for our property tax asking because there is a lack of understanding how the state aid formula works. The postcard bill does not help with this and adds to the confusion of our taxpayers. Flexibility in the property tax asking is an essential tool for school districts when dealing with enrollment growth and state aid decreases. The larger

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

the increase property tax asking is, unfortunately needed to make up for state aid decreases or opening of new schools or adding staffing for enrollment growth. For this reason, caps on property tax asking does not work well. We do appreciate the amendments, though, on the south cap there to help with that. On page 3, Papillion La Vista has been able to drop the general fund tax levy \$0.04 over the last three years, but assessed value has gone up 22.2 percent in that same time. It is difficult to see our taxpayers not be able to get more property tax relief because our district is penalized with state aid decreases. In unequalized districts, property taxes can be reduced nearly dollar for dollar by their local boards during higher valuation increase years. They will see much higher property tax relief for these type of bills than equalized school districts and the gap on the tax levies between equalized and unequalized school districts continues to widen. Governor Pillen's plan would allow our school district to lower an estimated 6-7 cents the first year as implemented. That's a start. That is. We're really pleased with that. Again, we appreciate the-- that influx of dollars into education in Nebraska. And thank you again for all your hard work in supporting our schools, while trying to get much needed property tax relief for all of our taxpayers.

MURMAN: Any questions for Mr. Richards? Senator Linehan.

LINEHAN: Thank you, Chairman Murman. So you would be able to reduce your levy. Is that mostly because of-- on your last, second to last bullet point here, is that because of the increase in special ed?

BRETT RICHARDS: Yes.

LINEHAN: OK. So you, you bring up a really good point here, which we haven't talked much about today, but I think we ought all have to think about. The way the current formula works, this is going to continue to happen. You're going to continue to lose state aid because valuations are going to continue to go up.

BRETT RICHARDS: That is correct. And that, that-- when I listen to some of the testimony earlier and people are thinking this is going to be dollar for dollar tax relief for all our district, it's not. And that's where we get interested in tax relief in our district and high valuations and I know-- I talked to Senator Murman about this. And, you know, the agriculture has gone through this, as well. But residential right now, values have gone up, skyrocketed over the last four or five years and in suburbs of Omaha.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

LINEHAN: But do you think GNSA has any appetite for relooking at that? Because they-- any time we've tried over the last six years to lower residential valuations, they've been very much opposed.

BRETT RICHARDS: I think sustainability for GNSA schools is the main thing. And now you know Senator Wayne has brought that up as well, as trying to make this formula work better for everybody is one of our goals. But sustainability is always the-- where districts [INAUDIBLE] is.

LINEHAN: I think you switched on me. Do you see any appetite at GNSA for actually lowering evaluations on residential and commercial?

BRETT RICHARDS: I don't want to speak for GNSA schools. I would say that you have an appetite from Papillion La Vista Schools to, to look at that.

LINEHAN: All right. Thank you very much.

MURMAN: Any other questions? Thank you very much. Any other neutral testifiers? If not, Senator Sanders, you're welcome to close. And while she's coming up, one-- in the online comments, one proponent, zero opponents, zero neutral.

SANDERS: Oh, thank you all for your attentiveness. I again, want to thank Governor Pillen and his team for their hard work. It is clear that education is a top priority for this administration. Thank you to all who testified and came out on their busy Tuesday. And thank you for those who support this bill from Lincoln Public School to the Corn Grower to the Catholic Conference. Together, we will lift boats as we continue this conversation for LB583. Thank you.

MURMAN: Thank you. Any questions for Senator Sanders? Senator Briese.

BRIESE: Thank you, Chairman Murman. Thank you for bringing this and your great work on this. But just for the record here, just to be clear here, your proposal would put an extra \$22.5 million towards OPS and another \$22.5 million towards LPS. Correct? Based on these sheets here.

SANDERS: Yes.

BRIESE: I think that's right. OK. Thank you.

SANDERS: Thank you.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

MURMAN: Any other questions?

WAYNE: That's not-- yeah. Just to be clear, that's not gen-- that's not general fund money, that's special education money.

SANDERS: Yes.

WAYNE: OK. Thank you.

MURMAN: Any other questions? If not, if not, thank you very--

LINEHAN: We're not execing [LAUGHTER].

MURMAN: Well, we've got [INAUDIBLE].

LINEHAN: I know, I know.

SANDERS: Thank you, Chairman Murman.

MURMAN: Thank you. And we're going to take about a 7 or 8 minute break. I try and hold it to just 7 or 8 minutes.

[BREAK]

MURMAN: District 38. Today, I'm here to introduce a very simple bill that came to me from the Nebraska Department of Education. LB698 will align Nebraska statutes with the federal statutes regarding a veteran's residency status when attending a college or university. On December 20, 2019, the United States Space Force was established. Current state law conflicts with the federal law, given that it does not include the veterans of the U.S. Space Force from accessing the same type of educational assistance that members and veterans of Army, Navy, or Air Force would receive. This is a very simple bill that is good for our veterans and I will try to answer any questions you may have or you can-- there will be testifiers behind me.

ALBRECHT: Great. Do we have any questions for Senator Murman on LB698? Seeing none, thank you. First proponent. Welcome.

BRAD DIRKSEN: Thank you. Good afternoon, members of the Education Committee. My name is Brad Dirksen, B-r-a-d, Dirksen, D-i-r-k-s-e-n. I am the Accountability, Accreditation and Program Approval office administrator at the Nebraska Department of Education. I'm testifying on behalf of the Nebraska Department of Education in the position of Proponent on LB698. The Nebraska Department of Education operates as the state approving agency in Nebraska, approving education and

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

training programs related to GI Bill benefits. Nebraska is currently out of compliance with federal law with respect to offering in-state tuition rates to veterans and eligible beneficiaries utilizing the GI Bill. Nebraska currently has a waiver through June 1, 2023, allowing our state time to come into compliance with federal mandates. LB698 would bring Nebraska into compliance with federal law. If the items in LB698 are not changed in the statute, our state runs a very real possibility of no longer having programs at public colleges and universities approve our GI Bill benefits, which would affect many veterans and their dependents. This concludes my testimony.

ALBRECHT: Thank you. Any questions from the committee? Seeing none, thank you for being here. Any other proponents wishing to speak to LB698? Any other proponents? Seeing none, any opponents wishing to speak? Seeing none, anyone in neutral position? Senator Murman-- do we have any letters? Any letters for the record?

JOHN DUGGAR: Sorry.

ALBRECHT: OK. We have two proponents Kathy Wilmot and Dean Kenkel.

MURMAN: OK. Thank you very much. I didn't really have any concerns about this bill. I thought there wouldn't be an opponent-- any, any opponents and it should be a consent calendar type bill. My only fear was that we would have some-- possibly some space aliens who would come in and testify against us.

ALBRECHT: Glad we didn't.

MURMAN: Glad to see that didn't happen.

ALBRECHT: All right. Any other questions?

MURMAN: Any questions?

ALBRECHT: Seeing none, thank you. OK.

MURMAN: OK. We'll open the hearing on LB414. Senator Conrad.

CONRAD: Thank you. Thank you, Senator Murman. Good afternoon, almost good evening, colleagues, friends, all on the Education Committee. My name is Danielle Conrad, it's D-a-n-i-e-l-l-e Conrad, C-o-n-r-a-d. I represent north Lincoln's 46th Legislative District. I'm here today to introduce LB414. LB414 amends provisions relating to the option enrollment program. And we're bringing this measure forward to ensure that children with disabilities in particular, are not denied the

ability to opt in to another school district because of their disability. Specifically, the measure directs school districts to adopt a resolution regarding standards for consideration of the application of option students. And then, it goes on to ensure that school districts are not permitted to deny option students who receive special education services or who have IEPs, individualized education plans, unless the districts do not have capacity for special education services. So what really, I think, one of the key components of this measure does is that it directs that capacity for special education services for purposes of option enrollment are really decided on a case by case basis instead of a blanket kind of determination in regards to capacity. The other key component of this legislation is that the evaluation really be done by and led by the director of special education in the school district, which might have more expertise in understanding about the types of services that each individual with an IEP or special needs might need to help evaluate the district's capacity. And then the last piece would be really more about, kind of like, what I would term procedural due process. So what LB414 would do, it would provide that if an application for a student with disability is rejected by the option school district, that rejecting district basically has to provide written notice to the, the family so that they have an understanding about why their application was rejected and delineate specific reasons why it was rejected so that the family, if they so decide, can then effectuate a more meaningful appeal process, having that information, that specific information available to them. And I urge your favorable consideration of the bill. I am happy to answer any questions. I'm also happy to note for the record, I do not pretend to be an expert on option enrollment. I am working hard to get up to speed as an enthusiastic, life-long learner. I know that this-- you know, one thing that's really cool about this committee assignment and working on these measures is the ability to go deeper, to learn about these cool issues. And so, in preparing for the hearing, I had a chance to go back and look at the legislative findings and intent related [INAUDIBLE] related to the establishment of the option program in, you know, the '80s and '90s, so to speak, and then tweaked over the years by a host of really amazing education leaders in our Nebraska Legislature. But if you look at the, the, the initial components in, in the statutory framework, what the option enrollment program was meant to do at its heart was really to honor parents' choices to direct what's best for their kids when it comes to finding the best place to get that great pop-- that great education. So I just-- I want to just, kind of, always have that bigger picture about-- there's specific components in this measure about, you know,

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

notice and, and how the option enrollment program works, but at its heart, the option enrollment program was really meant to center the right of parents to do what's right for them and their kids. And I know Senator Linehan had measures in the last biennium that were related or similar to this measure that I've had a chance to review as well, so I know it's an issue that, that bubbles up from time to time.

MURMAN: Any questions for Senator Conrad at this time? Senator Albrecht.

ALBRECHT: Thank you. I'm just circling up--

CONRAD: Yes.

ALBRECHT: --quite a few shelves, you know, in this--

CONRAD: Yes, yes.

ALBRECHT: --but did somebody bring this to you?

CONRAD: Yes.

ALBRECHT: And if so, who? And if a family knows that where they're at is not working and they want to go somewhere else.

CONRAD: Yeah.

ALBRECHT: --and these folks say, hey, we just can't accommodate you. Do you think that that's happening a lot throughout our state?

CONRAD: Sure. And let me make sure I work through all of the equat--

ALBRECHT: Yeah. Yeah. Yeah.

CONRAD: --and if I forget one, Senator Albrecht, help me. I didn't bring a pencil up to jot them down, but yes. So I, in preparing my legislative agenda like each of us, you know, kind of touched base with different stakeholders. And I had worked with the folks at the Education Rights Council organization before when I, when I was at ACLU, we worked frequently together on disability rights issues and educational equity issues. And so we had that established relationship and what they asked is if I would be willing to put in this legislation to help to continue the, the conversation about how students and families with students with disabilities are being treated in the option program. So that's exactly the impetus for the

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

bill, it was-- I was asked to bring this forward by an advocacy group. It aligned with my values. It had bubbled up in the campaign as something that I had heard from some families in our district that they were kind of frustrated with how these programs worked and so it seemed like a good avenue to, to learn a little bit more about that and see if we could make some changes. And I, I maybe, missed the last part of your question.

ALBRECHT: No, no. But this-- I just want to wrap my head around this whole deal, because if the school is responsible--

CONRAD: Yeah.

ALBRECHT: --for that student but isn't living up to what the parents might think should be happening and then somebody denies them, saying that we just don't have the capacity to bring you in. You know, what other options would be out there, you know, for that family is, is why I think-- but then what would you do if that-- do you challenge the capacity? Does the, does the parent say no, wait a minute? You know? I mean, you don't have anybody with special needs--

CONRAD: Right.

ALBRECHT: --so why would you not take my child? I mean what would happen--

CONRAD: Yeah. I--

ALBRECHT: --in a, in a situation like that?

CONRAD: --my understanding, Senator Albrecht, is that there, there have been families impacted by how the current law operates and that they feel that these changes would help them to better understand the process, to get more clarity about what options may be available to them or not. And if they're not available to them, to have the information to decide whether or not they want to appeal it or not. Say, for example, if a district were to have a blanket kind of ruling out there in regards to capacity, you know, that really would be inequitable, because different students with different kinds of special needs might need a whole different kind of array of services. Right. If somebody has, you know, some sort of diagnosis or part of their IEP that, maybe, just has a little extra tutoring every week or maybe a visual or auditory aide in order to learn, that's very different than some of the students that we heard about this morning that have those really significant needs in terms of their ability to learn. So I think that that's why that blanket exemption, sometimes,

on capacity can really have inequitable results for students with disability.

ALBRECHT: And then just one more question.

CONRAD: Is that helpful? I don't know.

CONRAD: So-- no, no. There's just, there's just one more. OK.

ALBRECHT: So so the school that is going to allow that family to opt out of their district and go--

CONRAD: Yeah.

ALBRECHT: --somewhere else--

CONRAD: Yeah.

ALBRECHT: --don't they still have to pay for that student?

CONRAD: Do they still have to pay, like their property taxes?

ALBRECHT: Well, no. I'm just saying like, like some schools get \$10,000 or whatever.

CONRAD: Oh yeah.

ALBRECHT: So does that money that-- for special ed or whatever, go with that child or will that school that they're leaving have to continue to pay for that?

CONRAD: Yeah, I, I think I understand. And if not, I'll be happy to be corrected.

ALBRECHT: I'm trying to wrap my head around it.

CONRAD: But-- so this, this measure, LB414 itself, and if you look at the fiscal note, I think it kind of helps to tease it out a little bit more, doesn't really change anything in relation to the dollars and cents in terms of, in terms of how that works in the, in the option enrollment program itself. What this is, is more about that kind of due process, that kind of framework for making the decision. But I think you're exactly right. The option enrollment program at its heart, you know, has a series of funding mechanisms, a series of, kind of, decision points and application points along the way to help figure out how to support parents, in terms of picking out what's the, the best option for their kid. So, yes, the, the parent would

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

still pay their property taxes in their home or their resident district, right, but then there would be some funding support for the option students, that kind of helps to to balance things out there, I think.

ALBRECHT: Yeah [INAUDIBLE].

CONRAD: I think, generally speaking.

ALBRECHT: Yeah. Got it. All right. Thank you very much for hanging with me there.

MURMAN: Any other questions? Senator Linehan.

LINEHAN: Thank you, Chair Murman. So I'm-- I appreciate this. It's an improvement, but they still can say no. Right?

CONRAD: That's right.

LINEHAN: So you're just saying they can't at the beginning of the year or are you saying-- I'm sorry. I didn't read this beforehand.

CONRAD: That's OK.

LINEHAN: Are you saying that they cannot say we're not going to take any children with an IEP, any children with an IEP or they can decide that but they'd have to turn down each one of them separately?

CONRAD: I, I think, Senator Linehan, I think both, actually. I think that this would require that it's a case by case determination instead of, sort of a, a blanket denial, so to speak, regarding capacity. And then, you know, that's not the end of the conversation. Then it opens up a, a dialogue between the, the district and the family. Can they provide the services for that individual or not, kind of like we see in the employment context. Do they have capacity to provide a reasonable accommodation or not? And so, just because they have to have a case by case analysis, that's not the end of the, that's not the end of the query. The query then goes to decide whether or not the, the district can meet that student's need. And then it would provide more information for the, for the families if, if they were denied.

LINEHAN: Which I appreciate all that and it's an improvement, but they still can say no, right? [INAUDIBLE].

CONRAD: Yes, that's exactly right. Yes they can.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

LINEHAN: So this-- we're not saying you have to take them regardless.

CONRAD: Yes, sorry. I may have overanswered there.

LINEHAN: They have to, they have to be more, more thoughtful about it.

CONRAD: That's exactly right.

LINEHAN: OK.

CONRAD: That's exactly right. And then if they-- the school district were to say no, were to deny that option application, by having more specific information about how they came to that conclusion, I think it could improve the process if a parent wanted to appeal to the Nebraska Department of Education, which is currently, maybe, not as robust as it could be in their trying to understand the reason for no, sometimes.

LINEHAN: Because I don't think they get any reason now, right. They just get no.

CONRAD: I think that's right.

LINEHAN: All right. Thank you very much for bringing this.

CONRAD: Thank you.

MURMAN: Any other questions? Thank you. Proponents for LB414. Good afternoon.

ELIZABETH EYNON-KOKRDA: Good afternoon, members of the Education Committee. My name is Elizabeth Eynon-Kokrda, E-l-i-z-a-b-e-t-h E-y-n-o-n-K-o-k-r-d-a, and I am the managing attorney of Education Rights Council. And we're a nonprofit whose mission is to remove legal barriers to educational equity and we're here today to testify in favor of LB414 because it does precisely that. It removes a legal barrier that discriminates against children with disabilities. It does it by holding districts accountable for decision making, asking them to be accurate, fair and transparent about their abilities to serve all children. Currently, Nebraska's option enrollment actually discriminates on its face against children with disabilities. The very first question on the option enrollment form is, does your child require special education services? Our law permits schools to use this information to then deny all availability for students with disabilities, without providing any supporting information. School

districts don't have to justify their alleged "lack of availability" with any statistics or facts. They don't even have to say what "available" means. In other words, they don't have to show any lack of capacity to serve. And the net result in Nebraska, is that most districts have set their capacity to take on option students that have disabilities at zero. Schools have actually gone so far as to refuse to accept students who aren't receiving special education services if they have any type of disability, under the grounds that they could be called, potentially, to serve the student at some point in the future. We reviewed all contested open enrollment cases concerning special education since 1998. That's 25 years. Every single case, they upheld the school district. And why is that? It's because our law says that whatever the school district says is presumed valid and reasonable and it's up to the families to prove or the decision isn't valid. But they can't because the schools aren't required to announce capacity, keep data, measure impact, make individual decisions. It's our law that makes it a "you lose" situation for every family, every time. And the situation is egregious. In the most recent case that I have outlined here, the school district didn't even do what the statute says it's supposed to. It didn't say it was at capacity, it didn't set capacity, it didn't follow the statutes and they still were upheld. And the reason is because the family couldn't prove that the district had capacity to serve because they didn't have any data. Let me tell you, no one bothers to challenge denials anymore because there's no point. It's unfair and it constitutes prohibitive discrimination. The reason I say this, is there are a couple of cases I've outlined in my testimony. I'm trying to go quickly because my yellow light is glowing-- where the Office of Civil Rights came in. And the big factor was, was an individual decision made or was it a blanket decision? Every time it's a blanket decision, they find it is discrimination. I see my red light's on. I'd like to talk about the one positive time.

MURMAN: Yep.

ELIZABETH EYNON-KOKRDA: Is that all right?

MURMAN: I'll ask you to continue.

ELIZABETH EYNON-KOKRDA: Thank you so much, Senator. I do appreciate it. I wanted to point out that in Wisconsin, they had, basically, a setup that's somewhat similar to ours. And when it went to court, it was upheld, but precisely because it had these individual decision-making process that you went through. So we want to

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

basically make sure that Nebraska is functioning in a constitutional manner. When it says on its face that you can discriminate, we should fix that and that's why I support LB414. We've had many, many, many families that have been denied and I would hope that you would look this-- look at this seriously and think if we could make it better. Thank you.

MURMAN: Thank you. Any questions for the testifier? Senator Walz.

WALZ: Thank you, Chairman Murman, and thanks for coming. And I really, really appreciate your testimony. We did hear from a, a superintendent this morning regarding this exact situation. One of the questions I have is how might this bill impact like a smaller school?

ELIZABETH EYNON-KOKRDA: That's a really good question. I mean, on its face, it would impact all schools the same, because what it really does is say, would you please take a look at what your real capacity is, set your capacity, announce what it is, and then when somebody comes and asks, you know, we want to option enroll and yes, my child does have a disability, look and see if you have the true capacity to serve. I think I heard Senator Conrad talk about let's put that with the decision maker that has information, but I think going back to Senator Linehan's point, it does not say you have to take a child that is a \$50,000 individual child, which means you're going to have to, I don't know, add a whole new teacher, all those different things. That would be clearly the ability to say, look, we don't have that capacity. Here is our budget. We have one special education teacher that does not have the services or the ability or we'd have to remodel the school. I mean, it's not saying you have to do that. What it's saying is let's differentiate and let's make sure that when we are having a child-- we have families where they-- let's say I have three children. And they want to go to, I don't know, Lincoln to Malcolm or Malcolm to Lincoln, for whatever reasons we've heard today. And they have one child that has dyslexia. What would happen-- I don't think this is Lincoln Public Schools, so I'm going to make it a different school district. School A, school B. The school that they're coming to could say, we'll, we'll take the two children that don't have disabilities, but we're sorry. Your other child that has dyslexia, she has to stay home. And that kind of discrimination, I mean, it hurts families and it really basically is saying, on its face, disable-- disability equals no. And that's what we can't do. We have to say, can we really do this? So I don't know if that answers your question, Senator. I'm sorry.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

WALZ: Yeah. Yeah, it does. So if we would pass this law, what would happen? I guess maybe that would be a better way of.

ELIZABETH EYNON-KOKRDA: Well, what's happening right now is no one that has a disability really gets this option, except in a few, few districts have not set that as a barrier, but most districts have a zero capacity. What my fear is, is that just like we've seen here, the Office for Civil Rights is going to come in. Parents are really frustrated. They're frustrated because they don't have the, the right to make decisions that they think are best for their children. And I mean, we're in Nebraska, a nice state. We don't like to sue or we don't want to be sued, we don't like the Office for Civil Rights to come in and tell us what to do. I think that what would-- I mean, the fear is that we would be challenged and we have an ability to fix it pretty readily. So I don't know what would happen other than someday, somebody's going to get fed up because what's happening right now is every single time, the answer's no.

WALZ: All right. Thank you.

MURMAN: Any other questions? I have one. You mentioned that Wisconsin has a better flexibility with their option for disable-- disability students. So, so they specifically, kind of describe the different services they have and what is available and what's not available in their schools statutes, I guess?

ELIZABETH EYNON-KOKRDA: In their statute, it requires the school to define what capacity is. So ahead of time, here's what our capacity looks like and then actually make decisions based on the actual attributes of the individual with the disability. And one of the ways that Wisconsin was able to show, indeed, that this was equitable is because about 60 percent of the kids that applied for option enrollment were accepted. So there were 40 percent that didn't-- the school district did not have that capacity, but it still passed muster, because we were making an individual decision based on the individual district and the individual student.

MURMAN: Thank you. Any other questions? Thank you very much. Any other proponents?

ELIZABETH EYNON-KOKRDA: Thank you so much.

MURMAN: Good afternoon.

DUNIXI GUERECA: Good afternoon, Chair Murman, members of the Education Committee. My name is Dunixi Guereca, it's D-u-n-i-x-i

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee February 7, 2023

G-u-e-r-e-c-a. I am the executive director of Stand for Schools, a nonprofit dedicated to advancing public education in Nebraska. I will not be reading all of my prepared testimony. I think the, the folks that spoke before me, including the Senator and the extra behind me, [INAUDIBLE] a lot of those topics. So I'll just kind of jump to the end, if you all don't mind. While Stand for Schools is hesitant to support additional requirements for our already burdened teachers and administrators, we believe that the changes outlined in LB414 are consistent with our support of public school systems that is nondiscriminatory, transparent and equitable for all students. For those reasons, we urge you to support LB414 and I'm happy to answer any questions.

MURMAN: Any questions? Thank you very much.

DUNIXI GUERCA: Thank you, sir.

MURMAN: Any other proponents for LB414? Any opponents for LB414? Anyone want to testify in the neutral capacity? Now you're welcome to close. And Senator Conrad waives closing.

LINEHAN: No. I have a question. I can ask you afterwards. I'm sorry.

CONRAD: Whatever your preference, Senator.

LINEHAN: No, no. I can ask you afterwards.

MURMAN: OK. We-- in the online comments, we have one proponent, zero opponents, zero neutral. And with that, we will close the hearing for LB414 and the hearings for the day.