

March 13, 1989

LB 140

for books, supplies, rent, room and board. Add that in and the cost is not inconsiderable. You can understand why student borrowing from student loans has skyrocketed, 700 percent over a 15 year period, spanning the seventies and the eighties. It is to the level where now, according to the LR 390 report, the student debt at 1986 graduation averages \$7,400, and add a special debt on top of their share, as national leaders have been telling us of the national debt incurred not for frivolity but to seek an education at institutions their parents have already been taxed to build and to maintain. Nebraska parents and families are often at their financial limits even before the children go to college and these costs loom large as they wonder how they can help. I can attest to the fact that it is not easily managed and I can't imagine it would be for most Nebraskans. LB 140 will help. Let's make a quick calculation where a family put aside \$5 for about 18 years for about \$250 a year. At this point, there would be enough to cover three-quarters of four years tuition at UN-L, our most expensive public institution. Eighteen years from now the numbers will be up but the proportion of the amount to family income will not be radically different, colleagues, which what that means in the bottom line sense is that the greater number of students having savings available to them, the greater the financial aid pool for students who don't have those savings available to them. The financial aid dollar stretches further to more students. It could very well make Nebraska students less vulnerable to the vagueness that has existed in federal appropriations. The bill, either as a bill or as a concept, underwent and withstood four public hearings before reaching General File, two interim reports including it as an option. Technical suggestions from the Banking Committee have been consistently incorporated, suggestions specifically of the Nebraska Bankers Association through committee amendments. They are on page 6 in lines 9 through 11 and, again, in lines 18 to 20. Specific Department of Revenue suggestions are on page 2, lines 15 and 16, page 4, line 20, and all of Section 15, and all of Section 26 in their entirety. Without tinkering, the University of Nebraska's suggestions are on page 14, lines 17 to 23, on page 9, line 11 to 15, page 10, 12 to 24; suggestions made by financial aid administrators. Finally, the amendment that I filed is one more bow to the concerns and hesitations. I respect yours. The amendment caps eligibility for participation by income levels. The income levels for phase out and cut off are drawn exactly from the federal legislation with one exception, colleagues. We have lowered the cut off from participation...