

allows for figuring in the cost of the institution in determining whether a student is needy or not needy. Nebraska, we piggyback on the Pell Grant program which does not figure in cost of the institution. LB 65...last summer an Attorney General's Opinion came down indicating that that method of distribution is incorrect, that we must distribute dollars with a factor determining the cost of the institution. LB 651, which is an Education Committee priority bill brought to us by Senator Hall, in effect restates existing statute, clarifying legislative intent that we want a formula that will take into account the cost of the institution, the cost of attending the institution. LB 468, which is a bill that was referred to the Appropriations Committee, has a committee amendment and if that committee amendment is adopted, it will create a new scholarship program. It will leave the SSIG program with a paltry sum of money in it, the bare minimum we need to receive the federal match, that will be distributed based on the cost of institution and will create a new program, create a new program that we can distribute the money any way we want to with, I think, the intent being that it will be distributed, as it has historically been distributed, with a bias to students that attend public institutions. The amendment to LB 812, as I best understand it, the Section 11 of LB 812 is designed to be a retroactive appropriation. It's a design to reappropriate dollars that have already been spent, to put them into a program that does not yet exist. Now why would we be doing that? Again, as near as I can figure out, it is because the federal government has what they call a maintenance of effort requirement. In order to qualify for your matching dollars for this program that goes to aid needy students, you must maintain a level of appropriation. You cannot deviate below, I believe it is your three-year average. Last year this Legislature did appropriate an overmatch, \$750,000 more than we had in any previous year to this particular program. If that is maintained, if we continue to count that as dollars that went into the SSIG program, we will not be able to lower our appropriation if it goes into the SSIG program. In other words, we won't be able to fund this new program, LB 468, with existing dollars, we'll have to create and put new dollars in and the dollars we do have will then have to go into a program that is less advantageous to students that attend public schools. So what, again, supposition, what I am assuming that this bill is doing, it's attempting to go back to satisfy the federal government, make an accounting change to correct the appropriation we made last year to make it appear as though the dollars didn't really go to this SSIG program, they