

attendance by students from low income families. And within the ten years time that proportion of schol...of college students from the low income families fell from 10.7 percent to 8.2 percent in ten years. And between 1980 to 1986, the number of poor students receiving grants dropped 15 percent, while the number using loans increased only by 7 percent. So there is an overreliance on loans, which discourages poor students from attending college. For low income families loans are not substitutes for grants. We have to keep that in mind. Loans not only reinsert cost-barriers to higher education that grants eliminated, but also add to these cost-barriers, and they really are a deterrent for some people coming into higher education. The Act report also indicates that the federal government shift from grants to loans has limited poor students ability to choose among institutions. Data in a report compiled by the National College Freshman Norm Survey shows a shift of low income students from universities to two-year colleges. We need to maintain an appropriate balance between loans and grants to maintain educational opportunities and some choice to low income students. This modest increase in funding for the Scholarship Assistance Program and the State Scholarship Award Program will help maintain this balance and provide greater opportunities to students in need. I ask for your support in this amendment also.

PRESIDENT: Thank you. Senator Labeledz, please, followed by Senator Hall, then Senator Chambers.

SENATOR LABEDZ: Thank you, Mr. President. Senator Smith, you and I are on the same side this morning on money for the elderly, and now we're on the same side for needy Nebraska students. And I echo Senator Smith's remarks. I'm glad she came in with some statistics. And I strongly rise to support Korshoj's amendment to LB 1031. I support making state appropriations to programs which provide financial assistance to many needy Nebraska students. As a Nebraskan who represents many families in a very low income situation, I have a strong interest in seeing their children have the opportunity go on to college or trade school. There is no doubt in my mind that improving one's education, and I'm sure we all agree, allows a person to increase his or her own earning power. When we do that, as their income increases, they will pay more taxes to support state and local services. The state is the winner, believe me, when Nebraskans choose to attend Nebraska schools. A vote for the Korshoj amendment is a vote for needy students,