

Education Accountability Commission, along with the School Finance Review Committee to make recommendations about moving toward a block grant approach. I will tell you at the time the bill was introduced there were only three other states who used a reimbursement system similar to Nebraska's. My understanding is currently we are probably one of only two states that are still using excess cost reimbursement. Virtually all other states have had to deal with this problem and have moved to a block grant approach. There is also indication that block grant approach will be the approach chosen by the federal government to continue its funding efforts for special education. I would yield the rest of my time to Senator Bromm or Senator Bernard-Stevens, waives no, Senator Bromm, if you would like to make some remarks also.

SENATOR LANDIS: Senator Bromm, you have four minutes remaining of the opening statement.

SENATOR BROMM: Thank you, Mr. President, and thank you, Senator McKenzie, for allotting me some time. I have found it an interesting process in the Legislature to choose a priority bill and I wanted to speak for just a couple of seconds. I've tried to always choose a priority bill that I felt would have an impact not only in my district, but in the entire state and also to choose a bill which I felt would address a critical need in the state. And in searching for a bill that I could designate as a priority I found 742 to fit that criteria very well. I don't know that I've ever chosen a priority bill that focuses on a problem without necessarily providing a solution, but that is one of the characteristics of 742 in the amendments. LB 742 and the amendments say we have a problem, we have runaway cost escalation in the area of special education which is one of the entitlement areas that we're seeing runaway cost increases in. We recognize that if this growth continues in the entitlement area at its present rate, by the year 2006 over half of our General Fund of the State of Nebraska will have to be spent on entitlements and that would cause some serious adjustments in the way we do business in the State of Nebraska. In attacking that problem, in the area of special education, it is not possible with one fell swoop to find a solution, and the approach of this bill is to recognize the problem, to put a temporary limit or cap on the amount of resources that we are spending in that area, and then to say that the growth of spending in that area will be limited to the growth we experience in other areas of general education in the state and