

that elementary school it will have to be kept open. So this plan talks about consolidating the districts without necessarily consolidating the schools. We also set up advisory committees of citizens and parents to each of the schools so that they have input into the process. That's one of the concerns that people have, they'll lose their local school board. There's no reason in my view we can't still allow for that local input through these committees that each school would have. We do use the current process and existing structure for reorganization of our schools through the state and county school reorganization committees, as I mentioned earlier, with the idea that on a voluntary basis between now and the year 2000 our schools will be brought together and they will develop their proposals on school reorganization. Should they not, however, voluntarily reorganize by the year 2000, there would be a disincentive through the school aid, the school funding formula under LB 1059. They would be penalized for those school districts not attempting to meet the requirements voluntarily. They would mandatorily be reorganized after that date and would have a penalty of a 10 percent factor against that school district's funding as a result of not complying with this effort. For those districts that do comply, they will have an incentive through an increase in the formula, depending on the situation. Should they meet the minimum number of students, they get a 5 percent plus factor, the boundary standard's a 5 percent plus factor, a planning study alone, if they can't meet the standards but at least they make the effort they get a 2 percent factor. And should they be able to meet the transportation but not the minimum students or boundary they get a 10 percent factor. Again, trying to recognize some districts simply can't meet this need and because of sparsity they would not be penalized. So I think we balance off the need to bring together these districts and recognize in some cases it's impossible to do. We also don't require to cross county lines, so that those county only districts that are out there in the Sandhills would not be penalized on that point. Now the bill that I introduced in Education would have required 600 students a school district; this only requires 300. We also had in the original bill a 225,000 per student valuation requirement, and that's not included in this. And as I said, we have put in the protection of the schools remaining open and the advisory committees for the schools, so that I think we've attempted to recognize some of the concerns with the original bill that was introduced. If you have a chance to look at the pink handout you will see the