

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office

March 9, 1999

LB 386A

increase in cost for those hardware issues.

SENATOR BROMM: And then the second question is, is the growth in enrollment looked at for purposes of this bill on a statewide basis as opposed to an ESU by ESU basis?

SENATOR BOHLKE: It is by a statewide basis.

SENATOR BROMM: Okay, thank you.

PRESIDENT MAURSTAD: Thank you, Senator Bromm. For discussion on the advancement of 386A, Senator Raikes.

SENATOR RAIKES: Thank you, Mr. President, members of the Legislature. I also wanted to respond, just quickly, to the point that Senator Bromm just asked about, what happens to costs when enrollment changes, to point out that in the state aid formula, there is no allowance in the growth factor for a declining enrollment. So that if you have declining enrollments, you still...you still get the allowable growth rate. If you have increasing enrollments, then you get the increase in the growth, in student growth, plus the growth rate. But in...there's a ratchet effect. It does not take into account the possibility that you can have enrollments declining. And, in fact, in the state aid formula, the way it is now, that's tended to favor sparse and very sparse categories because they tend to have declining student enrollments, where the standard tends to have increasing, so that the sparse and the very sparse have as a floor on their growth rate the percentages that are allowed, even though the actual student numbers may go down considerably. I just wanted to make that point for clarification. Thank you.

PRESIDENT MAURSTAD: Thank you, Senator. Further discussion. Senator Bohlke, you're recognized to close. Senator Bohlke waives closing. The question before us is the advancement of LB 386A. All those in favor vote aye, those opposed nay. Please record.

CLERK: 31 ayes, 0 nays, Mr. President, on the advancement of 386A.