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finance is that the presumption there is that those schools are in a situation where merger or consolidation is really not a possibility because of distance. So to some extent, yes, if it's possible for a merger to take place, for some efficiencies to be gained, then certainly. But compared to the standard situation, the standard cost group, if you will, where it's...there is not a geographical impediment to consolidation, that is where this program is directed. The incentives are the same whether...the reorganization incentives are the same whether you're standard or very sparse, for example. But in the state aid formula, either the current formula or the revision we've proposed, the needs calculation is not the same. The needs calculation for standard school systems in our current formula makes a clear financial adjustment for standard school systems who choose to be small in size.

SENATOR SMITH: So is the passage of the change in...that's currently on the table, is that necessary for this to be most effective? I mean, what's the likelihood of it being accomplished as well?

SENATOR RAIKES: Well, again, in my view at least, I think it's an improvement in the structure of our state aid formula for several important reasons. But is it necessary for this to work in terms of providing an incentive for schools to achieve a more efficient structure? No, I would say not.

SENATOR SMITH: Okay. Thank you.

SENATOR JANSSEN: Thank you, Senator Smith. (Visitors introduced.) Senator Wehrbein.

SENATOR WEHRBEIN: Thank you, Mr. President. I'm going to be very brief, Senator Raikes. I'm a little bit concerned about the out years and I...we've had LB 536 and we've had LB 775 and I mean maybe...this isn't leading to that, but the way I interpret, we are not starting till May of 2005, July 1, 2005. Would...I'm, between now and then, and particularly next session, I would be looking at some way to cap, prorate, something to control those out year costs in case they would get away. The way I understand it, and I guess it isn't the same as