May 24, 2005   LB 126A

SENATOR RAIKES: Let me try to rephrase it, Senator, because I
probably don't quite see it.   But suppose...and I don't know
what the case is.   But suppose you had ten Class I's in a
system, plus...a Class VI system, plus a rural high school.   And
let's say that the ten Class I's, some of them didn't apply, but
of the ones that did, they got $160,000 in REAP grants, and the
high school system, which at that point was less than 600
students, got $30,000, so that the total amount that the system
would get through the REAP program would be $190,000, roughly,
if I've done the arithmetic correctly.   All right.   Now let's
say we do the reorganization...

SENATOR CUDABACK: One minute.

SENATOR RAIKES: ...such that all the students in the Class I's
and the high school go together, and they exceed the 600-student
level, so they're no longer eligible for REAP funds.   So if you
were going to replace...to hold them harmless financially, you
would need to get the...provide the $190,000, or some fraction
thereof, depending upon what other grants they had that might
make them eligible.   But again, we're talking about a situation
where a school system, or districts, would go from qualifying
for this particular federal grant program, to not qualifying.

SENATOR HEIDEMANN: I understand that.   But I really
believe...and I'm trying to get this clear in my mind.   I really
believe that your formula is wrong, how we're trying to
compensate them.   Because really, according to the REAP formula,
they would only be getting, of the amount of students coming in
from the Class I's, $100...

SENATOR CUDABACK: Time, Senator Heidemann.   But you may
continue.   Your time is next.

SENATOR HEIDEMANN: ...per student, $100 per student.   They
would lose that base, what they would get every time.   And in
your formula, you're almost compensating them for that base.

SENATOR RAIKES: Right.   I think, again, we've got the $20,000
per school, or $20,000 per LEA.   And with the reorganization, it