[LB1004 LB1049 LB1065]

The Committee on Education met at 1:30 p.m. on Monday, February 8, 2016, in Room 1525 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB1004, LB1049, and LB1065. Senators present: Kate Sullivan, Chairperson; Rick Kolowski, Vice Chairperson; Roy Baker; Mike Groene; Bob Krist; Adam Morfeld; Patty Pansing Brooks; and David Schnoor. Senators absent: None.

SENATOR SULLIVAN: Welcome, everyone. This is the Education Committee. I'm Senator Kate Sullivan, Chair of the committee; I'm from Cedar Rapids and I represent District 41. The members of the committee, some of them are introducing bills in other committees. But those who are here, I will have them introduce themselves, starting with our Vice Chair.

SENATOR KOLOWSKI: I'm Rick Kolowski, District 31 in southwest Omaha.

SENATOR SCHNOOR: Dave Schnoor, District 15, Dodge County.

SENATOR BAKER: Roy Baker, District 30.

SENATOR SULLIVAN: Thank you. We also have some staff helping us today. To my immediate left is Tammy Barry, the legal counsel for the Education Committee, and to my far right is Mandy Mizerski, who is the committee clerk. Our pages today are Brook Cammarata from Omaha, who is a student at UNL, majoring in advertising and political science; and Ann Himes, also from Omaha, and she's a student at UNL as well, majoring in Russian, global studies, and history. Our task today is the public hearing for three bills: LB1049, LB1004, and LB1065. If you are planning to testify for any of those bills, please pick up a green sheet that's on the table in the back of the room. If you do not wish to testify, but would like your name entered into the official record as being present at the hearing, there's a separate form on the table to do that as well. And both will be part of the official record. Regarding the green sheet, we'd ask that you fill it out before you come up to testify. Please print and complete it in its entirety. When it's your turn to testify, give the sign-in sheet to the committee clerk. If you have handouts, please make sure you have 12 copies for the pages. And when you come up to testify, please do speak clearly into the microphone, tell us your name, and please spell both your first and last names, to ensure we get an adequate record. Perhaps I don't need to say this, but please, if you have cellphones on, please turn them off--pagers or anything else that makes a sound, so that we can give our full attention to the testifiers. The introducers of the bill will make the initial statements, followed by proponents, opponents, and neutral testimony. Closing remarks are reserved for the introducing senator only. I'm still going to keep with the five minute time limit today, tomorrow will be another story, just to forewarn you. So when you see the yellow light on, that means you have

one minute remaining, and the red light indicates your time is up. So I think those are all the housekeeping details to attend to, and we will start with our first bill, LB1049. Welcome, Senator Harr.

SENATOR HARR: Thank you, Chair Sullivan, members of the Education Committee. My name is Burke Harr, H-a-r-r, I am from Legislative District 8, representing OPS and West Side School Districts. This bill...last time I was in front of education, I had a 210-page bill, so this one is a little simpler. The purpose of LB1049 is to ensure that virtual students are included in fall membership and average daily membership for the purposes of TEEOSA. The bill defines what a virtual school is and virtual students are, and includes the student count in fall membership and average daily membership. To provide you a bit of background, Omaha Public Schools asked me to introduce this bill after beginning the process of setting up their virtual school. Virtual schools are sponsored by a local school district, with instructions, assistance, and support provided by Nebraska licensed and certified teachers. As I understand it, many states have had a similar approach to virtual schools, and have had quite a bit of success. It is my hope that this bill starts the conversation about how best to approach this type of blended learning approach in our state aid formula. Connie Knoche, a representative of Omaha Public Schools is going to testify behind me, with more details about virtual schools and how they hope to implement this program...excuse me, implement virtual schools in OPS. Thank you. [LB1049]

SENATOR SULLIVAN: Thank you, Senator Harr. Does that mean you'd prefer to have questions deferred to her, or do you want to... [LB1049]

SENATOR HARR: If you would, please, I would appreciate that. Thank you. [LB1049]

SENATOR SULLIVAN: Okay, all right. But just to give everyone else a chance, are there any questions for Senator Harr at this point? So will you be here for closing? [LB1049]

SENATOR HARR: I will be here for closing, yes. Thank you. [LB1049]

SENATOR SULLIVAN: All right, thank you. Welcome. [LB1049]

CONNIE KNOCHE: Thank you. My name is Connie Knoche, C-o-n-n-i-e K-n-o-c-h-e, and I'm with Omaha Public Schools. And I'm here in support of LB1049, for virtual schools. And Nebraska has a virtual high school at the university, where you pay tuition to go to school. And what we're proposing to do is have a virtual elementary and high school, eventually, for students within our boundaries, to give them an alternative for different type of education. All of the...most states have this, there's only seven that don't have a virtual school that's a public

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education. And what we would propose is that they are actually in their grades, they test from each grade to matriculate through their years, and then graduate from Omaha Public Schools. We expect to have staff of a principal, teachers, a counselor, computer technician, and an administrative assistant. We would provide each student with a computer and then they would work with the teachers that way, and we would also offer counseling and whatever else the student needs. And then they would come to the...we would have a space for the virtual school, and that's where they would come to take their test for NeSA. And I think that's about it. We're excited about the opportunity. What we're going to start is this fall, and it would K-8, and we would have to advertise to get students to come in and try out the virtual school, so we really don't know how many students will be joining us in the virtual program. But it's been very popular in other states. And Mr. Evans, the superintendent in Omaha Public Schools, started it in Kansas, and it was a very successful venture. And I think...I forget how many schools they have now that offer it. So we think it's a good way to move forward with our current education system. [LB1049]

SENATOR SULLIVAN: Thank you, Ms. Knoche. Irrespective of what's going on in other states, why is it important for OPS to do this? [LB1049]

CONNIE KNOCHE: Well, to give children that maybe are homeschooled and they don't have the curriculum, because this is actual curriculum that's offered to them through the virtual school, to give them a public education where they can graduate from a public school. Also, for children that maybe their families travel a lot and they're not able to attend a regular public school. There's really any number of reasons why a child would choose to do that, but we think it would be pretty popular with some of the homeschoolers for sure. [LB1049]

SENATOR SULLIVAN: How does this relate to the university high school? [LB1049]

CONNIE KNOCHE: We're going to try the K-8 elementary, when we start. The high school that the university has they charge tuition for the students to attend the virtual high school, and we would not charge tuition, because they would be our students. [LB1049]

SENATOR SULLIVAN: The legislation, as Senator Harr indicated, defines what a virtual school is, but what about a student? How do you define full-time student, what about students as you said that are homeschooled currently? Are they might just take...I mean, are they going to be now students in your district? [LB1049]

CONNIE KNOCHE: Yes, they would be students in Omaha Public Schools. And to be counted in membership, you have to have more than 0.5 FTE to be in the fall membership, and then you <u>do</u> average daily membership at the end of the year. [LB1049]

SENATOR SULLIVAN: You mentioned something about you're planning to start it this fall, so you could go ahead and do this now? [LB1049]

CONNIE KNOCHE: Yeah, I checked with Bryce at NDE, and he said it's similar to a program that we offer now. But I felt that it would be a better approach to actually have it in statute and describe what it was as we move forward, because I'm sure the legislation would change over the years as more people do it, and we figure out, you know, what the costs are and how it all works. Because it's... [LB1049]

SENATOR SULLIVAN: But you're actually trying to then accomplish...capture more aid by counting them in your daily membership? [LB1049]

CONNIE KNOCHE: Yeah, because we'd have costs, you know, for the students, purchasing the computers and then having the staff on hand to help them when they needed help with...if they didn't understand something in science, or math, or whatever, there would be a teacher they can call and talk to, to work them through the program...through the problem that they have. [LB1049]

SENATOR SULLIVAN: So you mentioned staff, but how does that work? I mean, are you bringing in a whole new cadre of staff to accommodate the virtual school, or are these additional responsibilities for existing staff? Or how do you anticipate that working? [LB1049]

CONNIE KNOCHE: We would bring in new staff to staff the virtual school. And again, it depends on how many children enroll for that first year, what you're going to need for staffing. But we're hoping to have maybe like 100 students the first year, to see how it works. [LB1049]

SENATOR SULLIVAN: Senator Baker. [LB1049]

SENATOR BAKER: Thank you, Senator Sullivan. Ms. Knoche, I've got two or three questions. Would it be possible for a student to attend school part of the day and then be a virtual student for the rest of the day? [LB1049]

CONNIE KNOCHE: They have to attend more than 50 percent of the day at the virtual school to be counted in membership. [LB1049]

SENATOR BAKER: Okay, okay. So how have you...how are you going to address the attendance requirements? [LB1049]

CONNIE KNOCHE: When they log on to the computer, you know, when they're...because they have to submit assignments and do everything. You can tell when they log on to the system that they're working on their homework. [LB1049]

SENATOR BAKER: So if they didn't log on they'd be absent that day? [LB1049]

CONNIE KNOCHE: Yes. [LB1049]

SENATOR BAKER: Okay, all right. I assume maybe that, you know, the previous question has been dealt with, what students are you going to serve? I assume you're including some students who now attend the schools would choose this option. [LB1049]

CONNIE KNOCHE: Right. Yeah, it could be some of our current students. [LB1049]

SENATOR BAKER: Maybe...potentially improve your graduation rate. [LB1049]

CONNIE KNOCHE: Hopefully, yeah. It's not necessarily for children that are struggling in school. [LB1049]

SENATOR BAKER: Exactly. [LB1049]

CONNIE KNOCHE: Because you have to be self-motivated to be able to work through this program. [LB1049]

SENATOR BAKER: Thank you. [LB1049]

SENATOR SULLIVAN: Senator Kolowski...Senator Schnoor. [LB1049]

SENATOR SCHNOOR: Some of the questions are kind of getting answered, but could you kind of explain to me how a virtual school really works? I mean, I think more of, you know, distance education classes. I think we're talking, you know, a bigger... [LB1049]

CONNIE KNOCHE: Yeah. [LB1049]

SENATOR SCHNOOR: ...a wider level of involvement by everybody. So could you kind of explain how it works? [LB1049]

CONNIE KNOCHE: Well, there's actual...from the way I understand it, and I have not started up a virtual school before, but the way I understand it, there's a whole curriculum for K-8 that you purchase for the child, and then they work through the grades. They're actually attending school at home because they have the computer and they log on every day, and then they have conferences with the teachers, or come in for testing, sometimes they do field trips, so it's kind of a...not really distance ed, but kind of distance ed. But it's just another alternative for families if, you know, it's really hard for them to get the kids to school or they have some other issues. [LB1049]

SENATOR SCHNOOR: Okay, so it is essentially all done on-line? [LB1049]

CONNIE KNOCHE: Yes, except for the testing that they have to do. That would be in person, with the proctor. [LB1049]

SENATOR SCHNOOR: Okay. And then the accountability is...obviously if they're coming in for a test, that's one, you know, level of accountability. But the attendance, as Senator Baker said, that's merely if they log in? [LB1049]

CONNIE KNOCHE: Right. And they receive grades, you know, to be able to move to the next grade level they would have to pass all of the classes for that grade range. [LB1049]

SENATOR SCHNOOR: And you said...was this done in Kansas? Did I hear that correctly? [LB1049]

CONNIE KNOCHE: Well, our superintendent came from Kansas, and he started a virtual school there. [LB1049]

SENATOR SCHNOOR: Okay. [LB1049]

CONNIE KNOCHE: And it was successful, and a lot of other schools joined in and tried to...and did implement it. So there's...if you look at their statutes, they've kind of evolved over time as they've kind of worked through the system and figured out how it worked for their state. [LB1049]

SENATOR SCHNOOR: So you're talking specifically about OPS. So does all the curriculum, does that meet your accreditation requirements then? [LB1049]

CONNIE KNOCHE: Yes. And it's like a software package that's been developed for K-8 education for elementary students. So yes, it would meet our standards. [LB1049]

SENATOR SCHNOOR: Okay, thank you. [LB1049]

SENATOR SULLIVAN: Senator Kolowski. [LB1049]

SENATOR KOLOWSKI: Thank you, Madam Chair. Ms. Knoche, on the attendance of the students, are there medical reasons some of the kids would not be involved as well, going to school? [LB1049]

CONNIE KNOCHE: Absolutely. There could be medical reasons or maybe, you know, a pregnant student that didn't want to go to school, or health concerns. All different kinds of things that they're not being met really right now, without having something like this. [LB1049]

SENATOR KOLOWSKI: Compared to some of the university classes and how they're taught now, is their connectivity with other members of a class that would be a live situation that they would all hear the teacher make the presentation and be able to have some relationships with one another, as far as being part of that class at one time? [LB1049]

CONNIE KNOCHE: Yes. Yeah, the way I understand it, it's like a blended-type situation, where they're doing work on their own and then also having class time with the teacher instructing them. [LB1049]

SENATOR KOLOWSKI: So the lack of socialization with other kids, would it be separate from a regular kind of school experience, but there would be some interaction with fellow classmates taking the same course at the same time from that perspective? [LB1049]

CONNIE KNOCHE: Right. And also like the field trips. If they went to the zoo or whatever, they'd get to know each other, and their families would. And I think it's similar to homeschool organizations, they kind of socialize. [LB1049]

SENATOR KOLOWSKI: Do you know how many homeschool students you have in your district? Do you have any facts or figures on that? [LB1049]

CONNIE KNOCHE: I have no idea. No, I don't. [LB1049]

SENATOR KOLOWSKI: Give us an idea? Okay. Thank you very much. [LB1049]

SENATOR SULLIVAN: Senator Pansing Brooks. [LB1049]

SENATOR PANSING BROOKS: Thank you. Thank you for coming, Ms. Knoche. I'm just sort of trying to understand this whole thing, because I mean, I could see people petitioning from Scottsbluff, wanting to do this at OPS. So do you envision it going farther than... [LB1049]

CONNIE KNOCHE: It could possible go farther, but the thing is they have to come in for testing and they have to do some face to face interaction with the teachers. So if you're coming from Scottsbluff, it may be cost-prohibitive for them to try something like that. [LB1049]

SENATOR PANSING BROOKS: Okay. And so these are classes that are in addition to the regular classes that OPS has? [LB1049]

CONNIE KNOCHE: It's just an alternative program, so it's...yeah, it's different than what we have for our regular students in K-8, but it's a curriculum that they follow for this virtual school. [LB1049]

SENATOR PANSING BROOKS: Okay. And as I read the bill, it doesn't specifically state how to apply to get into that program. Is it just anybody can apply? [LB1049]

CONNIE KNOCHE: Yeah. We're expecting...I guess you have to do advertising to get the people to apply and enroll. You know, they would enroll like any other student would enroll in OPS, and then be placed in the virtual school program. [LB1049]

SENATOR PANSING BROOKS: Okay. And so I know that there are some issues about like participating in sports and all of that kinds of stuff. [LB1049]

CONNIE KNOCHE: Yeah, and we haven't addressed that. [LB1049]

SENATOR PANSING BROOKS: Okay. All right. [LB1049]

CONNIE KNOCHE: I think they said, at least in Kansas, and this is just what I understand, that they had to take at least three classes in brick and mortar to be able to participate in sports or something similar. [LB1049]

SENATOR PANSING BROOKS: Okay. And have there been any...is there anything besides these rules set forth? Like what if they decide midway through, oh nevermind, I want to go to the full school all the time. Or how does that all work? [LB1049]

CONNIE KNOCHE: Well, we just thought this would be the first step. [LB1049]

SENATOR PANSING BROOKS: Okay. [LB1049]

CONNIE KNOCHE: Because it is a new venture in Nebraska. So we would kind of, as we go along...and I'm sure there would be different changes in legislation to address some things that come up that we hadn't anticipated. [LB1049]

SENATOR PANSING BROOKS: Well, I think it sounds like a good idea. Of course, my great fear is that at some point in the future, all teaching is going to be... [LB1049]

CONNIE KNOCHE: Virtual? [LB1049]

SENATOR PANSING BROOKS: ...yeah, virtual and not face to face. But I guess you get the best teachers that way. But anyway, I do think that teachers face to face can really inspire a child. [LB1049]

CONNIE KNOCHE: Yeah, I think so too. But you know, with the Facetime and Skype and all of that, you know, they'll be having that contact. And most kids, when they start college, they'll have virtual schooling at one point in time, where they take a class on-line. So it's just I guess moving with the way the future is going, I guess. [LB1049]

SENATOR PANSING BROOKS: Yeah. Well, thank you, Ms. Knoche. [LB1049]

SENATOR SULLIVAN: Senator Baker. [LB1049]

SENATOR BAKER: Thank you. Just a couple more questions. Have you discussed your policies on option enrollment? I mean, have you talked about that? Are you getting to anticipate option enrollment, and if you get them are you going to accept them? [LB1049]

CONNIE KNOCHE: The students that would be in the virtual school cannot be enrolled in any other school. So there wouldn't be... [LB1049]

SENATOR BAKER: I know, but could they option into the Omaha Public Schools. [LB1049]

CONNIE KNOCHE: They wouldn't be able to option in to the virtual school. The could option in to OPS, but not into the virtual program. [LB1049]

SENATOR BAKER: Okay, all right. My other question, you know, I've heard about this. I assumed you were going to start with high school, why elementary first, just out of curiosity? [LB1049]

CONNIE KNOCHE: Because there's already a curriculum set up. There's a lot of interest in high school, but that takes a lot more, you know, work to get that set up for the type of classes that you're going to offer and the type of students--but there is really a big interest in that. But it's going to take more time, and we felt that if we started with the K-8 we could start it right away. [LB1049]

SENATOR BAKER: Thank you. [LB1049]

SENATOR SULLIVAN: Speaking of that though, it almost seems like maybe it should be the other way around. You'd think maybe an older student would be more disciplined to participate off-site than an elementary school student. [LB1049]

CONNIE KNOCHE: Yeah, it's just the issues with the type of classes that you offer and the type of student that comes in. And there would be a different set of issues. This is something that, you know, see if it works in Nebraska, see if there's an interest in it, just starting at K-8. And then if there is, we can develop and move on for the high school offerings. [LB1049]

SENATOR SULLIVAN: Because it is innovative, different, is this really...and the fact that I think...did I understand you correctly, you could go ahead and do it right now? [LB1049]

CONNIE KNOCHE: Yes. [LB1049]

SENATOR SULLIVAN: That would there be...well, I already know your answer, but it occurs to me that maybe it's better to wait before we actually solidify this by putting it in statute. [LB1049]

CONNIE KNOCHE: I just believe it's going to be successful, so I wanted to make sure that it was covered in statute so that there was some interest in maybe possibly a charter-type school wanting to do something like this. And it's a public school and it's defined as a public school

student that would, you know, graduate from Omaha Public Schools. So I just wanted it clarified. [LB1049]

SENATOR SULLIVAN: Senator Kolowski. [LB1049]

SENATOR KOLOWSKI: Thank you, Madam Chair. Connie, Senator Sullivan's questions are right on target for some of the things that we're all thinking about, concerning this topic. But the missing link sometimes is the cost of putting those things together. You talked about the software and the computer for a student to use. If they're in your territory, living in your district, not an option or open enrollment, anything else, those costs, as we have for other programs in the districts that are offered, be it AP costs or dual enrollment situations or international baccalaureate as you have in your district as well, there's significant cost that drain the budget of the district when those things take place. [LB1049]

CONNIE KNOCHE: Right. [LB1049]

SENATOR KOLOWSKI: And I think we might be able to learn something and connect it with the desire to have better connectivity with long distance delivery of classes with our fellow Nebraskans, wherever they might live in the state, as well as learn from the high school program at the university with what they're doing and how that's delivered. And ETV also, with what they're doing at Nebraska TV--educational television. And I'm sure there'll be a lot of things that we'll be a lot smarter on in two or three years as we get through this. [LB1049]

SENATOR KOLOWSKI: But start up money or reimbursement money is extremely important... [LB1049]

CONNIE KNOCHE: Yes. [LB1049]

SENATOR KOLOWSKI: ...when you're putting these things together. Speaking from a high school principal, and the budgetary issues in a district...or from Dr. Baker, with the superintendent's impact on the board of education and their budget. So I hope we will be openminded about it and come forward with the best of practices, and know that we'll make those better or improve upon those as time goes on. It helps students have an option and that's better than many of the things they sometimes drift to or end up in if we don't do what we can to help them stay in school and stay on course. [LB1049]

CONNIE KNOCHE: Yeah, we're really excited about it and we think it's a great opportunity for students that maybe don't have...haven't tried all their alternatives. So I think it's a step in the

right direction, and it's probably best to start with the elementary--small...and kind of move up as you expand. Because we don't know what type of issues we're going to run into as we go on, but we're excited. [LB1049]

SENATOR KOLOWSKI: Your cadre of teachers in your district are strong and you've got many options that you could offer. But the difficulty in the higher math or sometimes in the science courses are the real difficult part. When I've worked with the parents teaching their own children in the homes--homeschooled, that's where they really start getting into difficult situations, at the higher level classes, which are truly college preparatory. And the parent almost needs a physics background or a chemistry background. [LB1049]

CONNIE KNOCHE: To teach some of that stuff. [LB1049]

SENATOR KOLOWSKI: Those are pretty tough to deliver as you get into some of those higher level things. [LB1049]

CONNIE KNOCHE: Yeah, yeah. [LB1049]

SENATOR KOLOWSKI: Thank you. [LB1049]

SENATOR SULLIVAN: Senator Pansing Brooks. [LB1049]

SENATOR PANSING BROOKS: Ms. Knoche, you mentioned something about charter schools in this and so just briefly, I don't know what you were saying. [LB1049]

CONNIE KNOCHE: I don't...when we first started talking about it, there was interest from groups that represent charter schools in pursuing this type of virtual education. And so I wanted it clarified in statute that it was a public school student, you know, that's attending a virtual school, instead of having it open for any student, whether you be parochial or charter. [LB1049]

SENATOR PANSING BROOKS: Okay. All right, thank you. [LB1049]

SENATOR SULLIVAN: Any other questions for Ms. Knoche? Thank you. Anyone else wishing to speak in support of LB1049? Anyone wanting to speak in opposition? Or in a neutral capacity? Senator Harr. [LB1049]

SENATOR HARR: Another consent calendar bill. Just quickly, virtual schools are a new tool in educating all of our children, and they offer great promise and potential. And I think it's important that as we go forward that the wrap around services are available and provided for our children. And that's why I think this is a good bill. With that, I would close. And thank you for your time. [LB1049]

SENATOR SULLIVAN: Thank you, Senator. Any questions for the senator? Thank you very much. [LB1049]

SENATOR HARR: Thank you. [LB1049]

SENATOR SULLIVAN: All right, that closed the hearing on LB1049. We will now move on to our next bill, LB1004. Welcome, Senator Cook. [LB1049]

SENATOR COOK: Good afternoon, everybody. And good afternoon, Senator Sullivan. It's good to see my comrades in arms from a previous existence here on the Education Committee. I am Senator Tanya Cook, that is spelled T-a-n-y-a C-o-o-k, and I represent District 13 in Omaha. I appear before you today as the introducer of LB1004, which relates to the Community Eligibility Provision, commonly referred to as CEP. This committee addressed CEP last session in LB524, which was amended into the enacted LB525. Part of the federal Healthy Hunger-Free Kids Act of 2010, the CEP is a meal service option for schools in high-poverty areas. As you are probably aware, to be eligible for CEP, the school district must have at least 40 percent of the students in the school or school district be what are called identified students. These are students which are already certified as eligible for free meals. Secondly, a school or district must serve free lunches and breakfasts to all students. Lastly, a school does not need to collect household applications for free and reduced-price meals. Rather than collecting large numbers of applications, CEP allows schools to use the data from the identified student percentage, or ISP, that is the sum of the identified students divided by the sum of the total student enrollment times a multiplier. This has been shown nationally to be an accurate proxy for students that would be eligible for free and reduced-price meals. The benefits: under community eligibility, higher-poverty schools receive higher federal reimbursements for the meals they serve. The CEP ensures that students get at least two nutritious meals on school days, and reduces the stigma and embarrassment children can suffer when openly identified as financially needy. It means less time students spend in the cashier lines and more time to eat. Parents have less paperwork and no worries about lunch accounts. Schools' administrative costs are reduced, because there is no collecting and processing of applications, the tracking of students' meal eligibility status, and the collection and processing of payments, or tracking unpaid meal charges. Most importantly, CEP leads to better-nourished children, who are ready to learn. The current status: the CEP is being dramatically underutilized. There are only six Omaha area schools currently participating, and they have been part of a pilot

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project. I understand that San Te and Omaha Nation recently adopted the provision. We hear that other schools want to take advantage of the CEP, including five schools in my legislative district. A representative of Omaha Public Schools will provide further detail on the barriers Omaha schools are facing because of the language of the current statute. I am proposing LB1004 to tweak the statute. The problem is that the calculation for determining the poverty allowance under TEEOSA creates a disincentive for high-poverty schools to participate in CEP. The statute defines free lunch and free milk calculated students as only counting identified students and uses those identified students as proxy for free students. This does not capture all the students who need to be considered. The result is that schools that provide universally free meals through the CEP face a reduction in their poverty allowance funding, aid they cannot afford to lose. It is imperative that we enable schools to implement this eligibility provision without adversely impacting their state aid. Additionally, some schools have reported they simply find the recently passed statute to be confusing. And with that, I would conclude my opening remarks and open it up to questions from the committee. Thank you. [LB1004]

SENATOR SULLIVAN: Thank you, Senator Cook. Are there questions for her? Senator Kolowski. [LB1004]

SENATOR KOLOWSKI: Thank you, Madam. Senator Cook, thank you for your presentation. And there seems to be a pattern whenever there's a big change in the write up of a rule or interpretation back to the state from the feds, that we seem to be behind the curve all the time of catching up for what it could be and how it could be delivered or implemented with our students. Do you find this to be part of the case, when we look at this particular issue as you're describing it? [LB1004]

SENATOR COOK: Well, while I was a member committee, and before I joined education, I did...that seems to be rather a trend across policy areas in our state. There's a federal directive or a federal opportunity, and Nebraska sort of has to play catch up. My concern with this proposal is merely to ensure that we minimize barriers to districts participating in what we have available here for our state. [LB1004]

SENATOR KOLOWSKI: Are the rules and regulations or boundaries of action for a district...as we receive those from the State Department of Education...are those definitive enough to give us direction, or do you have to, as a district, seek to have some movement like this particular proposed law that would get us a broader perspective of involvement and inclusion of students in the process? [LB1004]

SENATOR COOK: From my understanding with conversations, primarily with the Omaha Public School District, because that's the largest school district represented within my legislative

district, that was a barrier. The first one we talked about though, was the potential impact on the poverty allowance for the Omaha Public School District. So, as I mentioned in my opening testimony, there's some confusion in general, whether that's within OPS or among the other dozens of school districts across the state, where they would qualify to participate in CEP and how to apply. I do have some people testifying behind me that will be able to speak more directly to their experience with the current procedure. Some of the suggestions they offered as a way to meet the requirement and still have their district and their schools qualify for CEP. So perhaps they can shed more light on your question. [LB1004]

SENATOR KOLOWSKI: Well, we're all fairly up to date with the increase of poverty in our state. [LB1004]

SENATOR COOK: Yes. [LB1004]

SENATOR KOLOWSKI: And we seem to be always chasing that number, trying to get the services to the students that they would deserve and be eligible for in a presentable way. So I hope this will help get us there. [LB1004]

SENATOR COOK: I hope so too. [LB1004]

SENATOR KOLOWSKI: Thank you. [LB1004]

SENATOR SULLIVAN: Any other questions for Senator Cook? Will you be here for closing? [LB1004]

SENATOR COOK: I'm planning to be, but I do have another bill across the hall, so... [LB1004]

SENATOR SULLIVAN: Going to play it by ear? [LB1004]

SENATOR COOK: I'm going to play it by ear. [LB1004]

SENATOR SULLIVAN: Thank you. [LB1004]

SENATOR COOK: Yes, Madam Chair. Thank you. [LB1004]

SENATOR SULLIVAN: We'll now hear proponent testimony for LB1004. Welcome. [LB1004]

Transcript Prepared By the Clerk of the Legislature Transcriber's Office

Education Committee February 08, 2016

JAMES GODDARD: (Exhibit 1) Thank you. Good afternoon. My name is James Goddard, that's J-a-m-e-s G-o-d-d-a-r-d, and I'm the director of the economic justice program at Nebraska Appleseed, here to support LB1004. Senator Cook did a great job at explaining the Community Eligibility Provision, or CEP, which was created in 2010. CEP can help eligible schools, and there are about 109 of them in Nebraska, to ensure students do not go hungry. It can reduce stigma, eases administrative burdens, and can save costs. Thus far, very few schools have taken up CEP in Nebraska, a little more than 5 percent of the eligible students are participating in the program, and Nebraska is in the bottom five states in the nation in adopting community eligibility. The poor performance is not due to a lack of interest in CEP from schools. In fact, many schools and districts have expressed interest in taking up CEP or expanding the program. The reason for the poor uptake in CEP is primarily because under the current statutory definitions, schools that take up the program would potentially have a negative impact in their state aid distribution. LB1004 helps to remedy this issue and give schools the funding certainty they need to take up the program. Very quickly, for just a little background, I'd like to walk through the procedure for applying and receiving meals, because it's quite a technical issue, and I thought it would be helpful to briefly go through that for the committee. Under traditional rules, school meal applications eligibility is determined either through a household income application or through participation in another assistance program called direct certification. So if a child or a household participates in TANF or SNAP, if the child is involved in Head Start, in the child welfare system, or other programs, they can be directly certified for free or reduced meals automatically, without an application. But under community eligibility, schools end up forgoing that household application, so you no longer utilize that. It's important to note that you no longer utilize the application under this program because data from those applications can be used to determine the poverty allowance under TEEOSA. Specifically, the calculation of poverty can use free lunch students, which includes both meal application students and direct certified students. But as I mentioned a second ago, if a school takes up community eligibility they are no longer getting those meal applications, so all they're looking at are directly certified students. What this means ultimately is that schools taking up CEP could potentially face a loss in their poverty allowance funding, which means some schools are simply going to choose not to take up the program. Not because they are not interested in it, because they are concerned about losing funding. So that's why LB1004 is important. For schools that take up CEP, LB1004 would create a measure for the poverty allowance, more closely approximating the count of free lunch students. The bill would allow the use of either a multiplier or the use of the most recent free lunch student data available from the most recent school year, whichever is greater. Having two measures we feel is really critical to moving this forward in schools. Having this structure giving the schools the use of the higher of the two measures ensures that they don't face a barrier to taking up CEP. While a multiplier alone might function well for higher-poverty schools, perhaps for Omaha Public Schools for example, it may not provide the same level of poverty allowance for schools with a lower poverty level, thereby discouraging schools from taking up the program. In other words, allowing the use of either a multiplier or the most recent student data ensures that

schools will at a minimum be held harmless and maintain the level of state aid that they had up until taking CEP. For these reasons, we'd urge the committee to advance LB1004. And I'd be happy to answer any questions if I can. [LB1004]

SENATOR SULLIVAN: Thank you, Mr. Goddard. Senator Baker. [LB1004]

SENATOR BAKER: Thank you, Senator Sullivan. Mr. Goddard, I think at this time I'm supposed to understand how the multiplier thing, but I'm not as clear as I'd like to be on it. Could you help me out with that? [LB1004]

JAMES GODDARD: Sure. The way...for our purposes, the important thing is what we're trying to do here, since we don't have the data from the meal applications, we're trying to get an approximation of what a school would get for those students had they applied. And so what we're doing is we're using a multiplier to try and get to that close approximation. And in this bill, the bill would utilize either a 1.1 multiplier or it would use a separate measure, whichever is greater. So I think the thing to try and understand is once we stop taking meal applications, that's going to leave a school in a negative financial position if we don't try to use a multiplier to better approximate how many students they would have that would qualify for meals, had they used an application. [LB1004]

SENATOR BAKER: May I follow up, Senator Sullivan? [LB1004]

SENATOR SULLIVAN: Yes. [LB1004]

SENATOR BAKER: Why 1.1? I mean, is that just an arbitrary number or is it based on some science of some kind? [LB1004]

JAMES GODDARD: The 1.1 comes in part through a number of conversations between Senator Cook and the Department of Education and others. The question I think we have...1.1 may work. If you have a higher poverty level school, the 1.1 multiplier might work for you, but if you're in North Platte or if you're in Scottsbluff and you have a lower poverty level, that may not work perfectly for you. So that's why there's the second part of the definition, and that is you can either use the multiplier or you can use the most recent data available from school meal applications--whichever is greater, so that we can...if the 1.1 doesn't work for the school, that they at least know well, we're going to get the same amount of poverty allowance that we had last year. [LB1004]

SENATOR BAKER: Okay. Just one more follow up on that. I understand and I'm okay with the idea you don't want a district to damage their poverty allowance that they would have had without this program, but what I'm trying to figure out with the 1.1 multiplier...could a person advantage themselves with the poverty allowance? [LB1004]

JAMES GODDARD: I think we have some testifiers that are going to talk about some of the projections. What I would say is that the 1.1, that is at the low end. In some of our estimates, that multiplier could actually be higher for other schools. So I think the potential for it really dramatically making a change an advantage for a school is fairly low. Ultimately, will it be identical under the multiplier? Probably not. There's going to be some sort of fluctuation there, just like we have fluctuation from year to year in demographics changing, and students moving, and school districts altering. [LB1004]

SENATOR BAKER: So the multiplier is 1.1 times your last known data? [LB1004]

JAMES GODDARD: No, they're two separate measures. It's either the multiplier or your last known data, whichever is greater. [LB1004]

SENATOR BAKER: All right, so it's 1.1 multiplier of what? [LB1004]

JAMES GODDARD: The 1.1...let me...this is the trickiness in looking at this bill. So it is...there are two different counts. If you go back to my testimony, on the bottom of page one, you have two different ways that the poverty allowance is calculated for free students. One is looking at the meal applications, plus those students directly certified, that's the current practice. We're then, under community eligibility, taking away the applications. So for schools...you can see, if you take that away, that school has just lost some of the students that would have it. [LB1004]

SENATOR BAKER: I get that. [LB1004]

JAMES GODDARD: So you're taking what...instead you're using that direct certified number, which is also...it's a different term under community eligibility, but you're taking the directly certified number times 1.1 to try and, as closely as you can, approximate what the number would have been like before community eligibility. [LB1004]

SENATOR BAKER: All right, how do you determine the directly certifiable number that you're going to multiply by 1.1? [LB1004]

JAMES GODDARD: The directly certified number is put out every year by the Department of Education, but basically it is the...is each school or district looking and doing data matching to see how many of their kids can be directly certified. So it's the number of children who are eligible for SNAP, the number of children eligible for TANF and other programs. And they put those children together and you come up with a percentage of your overall school that is eligible to be directly certified. [LB1004]

SENATOR BAKER: I'm getting there. So then following year, it would again be 1.1 percent of the directly certifiable number, rather than 1.1 of the previous calculated number? [LB1004]

JAMES GODDARD: Right. [LB1004]

SENATOR BAKER: All right, thank you. [LB1004]

JAMES GODDARD: Thank you. [LB1004]

SENATOR SULLIVAN: Senator Kolowski. [LB1004]

SENATOR KOLOWSKI: Thank you, Madam. Mr. Goddard, was there something I read also about the number from your previous year that comes into play with this, or was that something else on the different sheet I was reading? [LB1004]

JAMES GODDARD: No. So what I was endeavoring to explain is under this policy there are two measures that can be used for schools that take up this program. One is the multiplier that I just described to Senator Baker... [LB1004]

SENATOR KOLOWSKI: The 1.1. [LB1004]

JAMES GODDARD: The 1.1, and the other is simply saying well, before we took up CEP, we know that we had this many direct certified students and we had this many applications. And so you're just going to use the most recent year's number that you had before you took up the program and you stopped collecting that information. [LB1004]

SENATOR KOLOWSKI: And you need to apply at the beginning of the year, so you'd be using last year's data? [LB1004]

JAMES GODDARD: You have to opt in to the program, I believe, at the end of June, and it can be done annually. So schools would decide at the end of the month of June whether they want to participate, and if they do, then going forward they're going to rely on one measure or another for their poverty allowance. [LB1004]

SENATOR KOLOWSKI: So a district, knowing their sequence of employment with principals, especially in elementary schools, they may not be working at the end of June. So there would be...the anticipation would have to take place...that meeting and that decision would have to take place while those people are still (inaudible). [LB1004]

JAMES GODDARD: I think that's likely. The numbers that they would rely on are produced, I believe, in April. And so I think you're right, Senator, that there would have to be a decision about which direction a school wanted to go in before that deadline in the summertime. [LB1004]

SENATOR KOLOWSKI: Thank you. Just trying to get the flow of all those things to match. Thank you very much. [LB1004]

SENATOR SULLIVAN: Senator Pansing Brooks. [LB1004]

SENATOR PANSING BROOKS: Thank you. So you said...I suppose we should just ask the Department of Education, because they're the ones that came up with 1.1. Is that correct? Or who came up with the 1.1? [LB1004]

JAMES GODDARD: The department came up with 1.1, and I think again that I don't want to speak for them. But I believe that they ran numbers, particularly in the Omaha--OPS, to see is that going to make a school whole, are they going to get back to or close to where they...the poverty allowance that they would have had in the past. And again, the issue as we see it is that may work for OPS, but it's not clear it works for LPS or other eligible schools. And that's why you have the...under this bill you have the option for two measures. [LB1004]

SENATOR PANSING BROOKS: Okay, thank you. [LB1004]

SENATOR SULLIVAN: Senator Groene. [LB1004]

SENATOR GROENE: Thank you, Chairman. You said 109 schools, is that 109 school buildings or 109 school districts? [LB1004]

JAMES GODDARD: 109 schools. [LB1004]

SENATOR GROENE: School buildings? [LB1004]

JAMES GODDARD: School buildings, yes. [LB1004]

SENATOR GROENE: So you're telling me we're going to take...the last time we had the application number of students who qualify and that will be the base. Will that be the base 10 years from now? [LB1004]

JAMES GODDARD: No, it's...the numbers are changed every year, insofar as we're looking at how many students in every building, every year, are directly certified. So every year, the number will be different, and every year, the school can decide what they want to do. [LB1004]

SENATOR GROENE: Once you join the CEP, clearly now you don't have to qualify them anymore for free lunches, right? They don't have to fill out the form? [LB1004]

JAMES GODDARD: The don't have to fill out the form, but they still use the process of direct certification. Where they are going to...each school building or district is going to say how many students do we have that qualify for SNAP, that are in the child welfare system, that are in Head Start, and so forth. And it's based on... [LB1004]

SENATOR GROENE: But you're going to eliminate the application process? [LB1004]

JAMES GODDARD: That's correct. [LB1004]

SENATOR GROENE: Why don't we just give everybody the application process and if you qualify or not you still get a free lunch, but then you have the applications that qualify to go off of? [LB1004]

JAMES GODDARD: Well, that's... [LB1004]

SENATOR GROENE: That would be more...to me as a taxpayer, that would be...I could see manipulation here. [LB1004]

JAMES GODDARD: Well, what you're describing is in part how the current system works, insofar as many families fill out the application and they qualify in that way. But I would say the direct certification process is even stronger. [LB1004]

SENATOR GROENE: But you can't qualify now without filling the application out. [LB1004]

JAMES GODDARD: No, no, Senator. You can. So you can qualify for school meals through a process called direct certification, where the school does data matching with the Department of Health and Human Services for example, and says we know that this family is on the SNAP program or that this child is in the child welfare system. Therefore, we don't have to make that child fill out an application at all, because we already got all of the information we need. [LB1004]

SENATOR GROENE: Do you know the breakdown of how many of those are on free lunches, and what percentages by application of a family that's working--two-parent families, but they have low income? [LB1004]

JAMES GODDARD: So what we do know...what I do know, at least of the top of my head, are some of the percentages of direct certification in various districts, which is a pretty stringent process, because you're qualifying for that program. [LB1004]

SENATOR GROENE: Does the federal program say we cannot have everybody fill out a application? [LB1004]

JAMES GODDARD: The way the federal program works is it expends with the need to fill out an application. [LB1004]

SENATOR GROENE: But can the state of Nebraska say you fill out an application and then we know, for our TEEOSA portion of paid, exactly who is poverty? [LB1004]

JAMES GODDARD: The state of Nebraska could have families fill out a form that would be much like an application and gather the same information, yes. [LB1004]

SENATOR GROENE: Wouldn't that be more accurate? [LB1004]

JAMES GODDARD: I don't know that it would be more accurate, because the...looking at the folks who are directly certified for the program, they are walking through many times more

stringent verification procedures on the SNAP or public assistance side than you're ever going to walk through in filling out an application. [LB1004]

SENATOR GROENE: Excuse me, but we already have those numbers. We know that, right? We'll know that...we can get that numbers from HHS and the welfare system. [LB1004]

JAMES GODDARD: Yes, we do know that. [LB1004]

SENATOR GROENE: Without the application. You're talking about that segment of folks who are not on welfare, not yet on food stamps, but fill out the form, but qualify for their income for their kids. [LB1004]

JAMES GODDARD: That's right. [LB1004]

SENATOR GROENE: That's the CEP portion you're looking at here, right? [LB1004]

JAMES GODDARD: That is a portion of the folks that we're talking about, yes. [LB1004]

SENATOR GROENE: Thank you. [LB1004]

SENATOR SULLIVAN: Just to clarify, Mr. Goddard. If a school participates in CEP, then there is no need to fill out any paperwork. [LB1004]

JAMES GODDARD: That's right, that's right. All I was suggesting to Senator Groene is there are other states that have decided we want to keep gathering this data, even though we don't have to do the application anymore. And so we're going to continue to ask families to fill out forms to gather the data, but it's not technically an application. [LB1004]

SENATOR SULLIVAN: Okay. Any other questions? Thank you. [LB1004]

JAMES GODDARD: Thank you. [LB1004]

SENATOR SULLIVAN: Welcome. [LB1004]

JULIA TSE: Thank you. Good afternoon, Chairwoman Campbell and members of the Education Committee. [LB1004]

SENATOR SULLIVAN: Sullivan. [LB1004]

JULIA TSE: (Exhibit 2) Oh, I'm sorry, I'm usually in front of HHS. Sorry about that. My name is Julia Tse, J-u-l-i-a T-s-e, and I'm here today testifying in support of LB1004, on behalf of Voices for Children in Nebraska. So maybe first I'll start off with addressing some of the concerns. I think James from Appleseed did a good job of clarifying some things. So a little bit of background on the 1.6 multiplier, Senator Baker, that you raised, was that initially when CEP was rolled out, the federal government conducted an analysis on what poverty looks like in schools. And what they found was for every 10 students who are directly certified, that is their homeless or migrant youth that are participating in public assistance, there are 6 more students who qualify for free and reduced lunch. So that's how that number came about. And then in our state, the department looked at those numbers and said 1.1. And then to address another concern about schools possibly artificially claiming to be a high-poverty school for 10 years, because CEP is only eligible to those schools with 40 percent or more identified student percentage. That would mean that if there was a significant drop in poverty in that school, they would no longer be eligible, so they would have to start doing their regular free and reduced meal forms again. And so with that, I just want to go into what the landscape looks like nationally. When it was first rolled out, a lot of schools across the country started to adopt it. In 2015, 2016, which was the second year that it was available to all states, already 6.6 million kids were being served by 14,000 schools across the country. And as has been mentioned before, there were only 8 out of 109 schools that were adopting it in Nebraska, serving 2,084 kids. Nationally, it's sort of a nobrainer for schools with higher ISPs, because the federal reimbursement rate maxes out for schools with a 62.5 percent or higher ISP. So there's where that 1.6 multiplier came in from. In Nebraska, about one-fifth of schools eligible but not participating are in that category, so their ISPs are topping out in the mid 70s. The hesitation to participate has been the result of some confusion about how the property allowance under TEEOSA will be affected. Currently, the language reads that a school's ISP will count as a proxy for those eligible for free meals. Because a school's ISP reflects only a subset of schools or students who are eligible for free meals, we don't think that this will adequately capture actual poverty in schools. LB1004 addresses this potential loss of much-needed funding by creating a 1.1 multiplier, to be applied to the school's ISP when determining state aid. Additionally, it provides protection for high-poverty schools that may still suffer a loss in funding with the multiplier, by allowing the use of their most recent data on free lunch and milk students, if it should exceed the calculated proxy. The CEP is a great opportunity that more of our Nebraska schools should be able to take advantage of. States were required to publish data on eligibility in May of last year, and based on calculations of those numbers, we believe that a significant portion of our schools would face a loss in state aid. And I have those numbers, but it's attached to my testimony for LB1065, so I will share that with you later. But basically, we believe that a provision that allows schools to freeze their most recent level of funding addresses this concern. And we want to thank Senator Cook and this committee for all of their work, and urge you to advance this bill out of committee. [LB1004]

SENATOR SULLIVAN: Thank you very much for your testimony. Any questions for her? Thank you very much. [LB1004]

JULIA TSE: Thanks so much. [LB1004]

SENATOR SULLIVAN: Welcome. [LB1004]

RACHEL OLIVE: Welcome, thanks. My name is Rachel Olive, R-a-c-h-e-l O-l-i-v-e, and I am the executive director of Hunger Free Heartland. I'm here to just provide you guys with a little bit of a lens on food insecurity, and the effect that it has on children. In Nebraska, one in five children currently do not know where their next meal is going to come from. We rank 49th in school participation, with a lower than 40 percent participation rate of students who could access a free breakfast. The question in all of this is why. And the answer is accessibility. What community eligibility does is it approves access for low-income children. Children miss out on school meals for many reasons, none of which are their faults. Many times, literacy and language barriers within their family come into play, and other times it's the fear of being identified as poor by their friends. Children who are food insecure and miss breakfast exhibit a multitude of behavioral and learning issues. According to the Food Research Action Center, those who skip breakfast have lower math scores and are more likely to repeat a grade. Also, behavioral, emotional, and academic problems are more prevalent among children who are hungry. We also find that children who are hungry have issues focusing in class and are also more absent frequently than children who are food secure. Not only would student learning benefit from Community Eligibility Provision, but it would also help foster a healthier diet. The breakfast that schools provide have met and exceeded nutrition standards. Low-income children who have access to school breakfast have a better overall diet quality than those who eat breakfast elsewhere or skip breakfast. Similarly, low-income students who eat both school breakfast and lunch have significantly better overall diet quality than low-income students who do not eat school meals. Hunger Free Heartland believes that with the passage of LB1004 we can begin to say that childhood hunger is no longer acceptable and that food is a basic human right. [LB1004]

SENATOR SULLIVAN: Thank you, Ms. Olive. Any questions for her? Thank you for your testimony. Welcome back. [LB1004]

CONNIE KNOCHE: Thank you, Senator Sullivan, members of the committee. My name is Connie Knoche, C-o-n-n-i-e K-n-o-c-h-e, and I'm here to testify in support of LB1004, for the multiplier to use when you're calculating CEP. Right now, Omaha has six elementary schools that are pilots for the CEP program in Nebraska, and if we were able to use the multiplier that's been proposed, then we could add more schools--approximately 20 to 30 more schools would

qualify for the CEP program. So it would be good for kids and it wouldn't harm the district financially if we did that. [LB1004]

SENATOR SULLIVAN: Thank you, Ms. Knoche. Any other questions for her? [LB1004]

SENATOR PANSING BROOKS: Yes, I do. [LB1004]

SENATOR SULLIVAN: Senator Pansing Brooks. [LB1004]

SENATOR PANSING BROOKS: So Ms. Knoche, I was just wondering about the multiplier a little bit. Could you just speak a little bit more to it, how you all determined that's the best multiplier? Was it just...did you just look at it for OPS or did you look across the state really, or LPS? Because I know you're pretty familiar with LPS too, so could you just speak to that multiplier a little bit, please? [LB1004]

CONNIE KNOCHE: Yeah. NDE was the one that actually did it, and I believe they were looking specifically at OPS, because we do have some CEP schools and could possibly have more. So that may be an argument that that percentage should be somewhat different. The way you calculate it is if you have a building with 70 percent of the kids that are poverty, that are eligible for direct certification, then there's a percentage of kids that qualify because of the free lunch applications. So if you multiply the qualified students times this multiplier, it's a way to capture those kids so that they're not...you know, that you're not losing poverty students because of participating in the program. And in Omaha for example, there's a lot of mobility between districts, and the demographics changes, and everything like that. So a multiplier is important because you don't know who you're going to be serving from one year to the next. [LB1004]

SENATOR PANSING BROOKS: So are...thank you. Are you confident that the 1.1 multiplier will work for OPS? [LB1004]

CONNIE KNOCHE: Well, I had several discussions with NDE and Tammy, and I feel confident that that would help Omaha. But I don't know how it would help other districts if they were to participate. And then there may be other districts that would qualify, that don't get the poverty allowance. They may not be equalized, but they could qualify for CEP, so that wouldn't harm them, because they could still participate in the program without hurting them in their state aid calculation. Omaha relies heavily on state aid, so any dip in that would have a significant impact. But there are, you know, a number of districts that do have poverty, that don't get state aid. So this would benefit them. [LB1004]

SENATOR PANSING BROOKS: Thank you. [LB1004]

SENATOR SULLIVAN: Ms. Knoche, I just noticed that...and I should have probably asked Senator Cook this, so if you're not prepared to talk about it...but in the...there's something about promotional requirements in this bill, so that the department would have to promote the CEP program. Are you familiar with that component of LB1004? [LB1004]

CONNIE KNOCHE: That's not a requirement of participating in CEP... [LB1004]

SENATOR SULLIVAN: No, but it would be a requirement in this bill. [LB1004]

CONNIE KNOCHE: Right. I believe that was the introducer's intent to have something like that. [LB1004]

SENATOR SULLIVAN: Okay, I'll ask her about it. Okay, very good. Senator Kolowski. [LB1004]

SENATOR KOLOWSKI: Thank you, Madam. Connie, how many schools? Have you added 20 or 30 additional schools? Were those mostly elementary or was it across the board? Middle and high as well? [LB1004]

CONNIE KNOCHE: It would be a few...well, it would be mostly elementary. We have 88 elementary schools. [LB1004]

SENATOR KOLOWSKI: Eighty-eight elementary schools. [LB1004]

CONNIE KNOCHE: And we talked about using it for high schools or middle schools, but felt that some children may not want to get free meals because that would stigmatize them in some way. [LB1004]

SENATOR KOLOWSKI: That happens. [LB1004]

CONNIE KNOCHE: But we look at that, you know, for the middle school as well. [LB1004]

SENATOR KOLOWSKI: Okay. Thank you very much. [LB1004]

SENATOR SULLIVAN: Senator Groene. [LB1004]

SENATOR GROENE: Thank you, Chairman. Refresh...I'm not sure about the poverty allowance as it is in TEEOSA. You said...is there a threshold you have to reach before you can even apply for poverty? [LB1004]

CONNIE KNOCHE: No, you get...you estimate the number of kids that you're going to have in poverty, it's based on the free lunch students or the direct certified students that are added together. So it's calculated...there's a calculated number to figure out the poverty allowance. So any school can have a poverty allowance, it's just that you have to have more needs than you do resources. And in some cases, there's districts that have more resources, and they don't get equalization aid, so the poverty allowance doesn't come into play for them. [LB1004]

SENATOR GROENE: So they don't get it now? [LB1004]

CONNIE KNOCHE: Right. [LB1004]

SENATOR GROENE: And then right now...I'm assuming after you clarified to us that the base would be who you can get from the welfare system and from SNAP. [LB1004]

CONNIE KNOCHE: Right. [LB1004]

SENATOR GROENE: That's your base, you're going to take it times 1.1? [LB1004]

CONNIE KNOCHE: Yes. [LB1004]

SENATOR GROENE: That tells me in Omaha about 10 percent of your free lunches are people by application, that's where you came up with that 10 percent. [LB1004]

CONNIE KNOCHE: Right. We have high poverty...yes. We have like 90 percent poverty in some buildings. Some of it's even more than that. [LB1004]

SENATOR GROENE: But there's a certain amount of folks who don't qualify or do not apply for SNAP... [LB1004]

CONNIE KNOCHE: Right. [LB1004]

SENATOR GROENE: ... or do not apply for welfare. [LB1004]

CONNIE KNOCHE: Right. And they might not even fill out an application for a free meal. [LB1004]

SENATOR GROENE: But they can apply for a free meal and get it if their income fits the criteria? [LB1004]

CONNIE KNOCHE: Except that if you're a CEP school, you won't be filling out the application. So we can't capture those kids... [LB1004]

SENATOR GROENE: But right now, the free lunch program. [LB1004]

CONNIE KNOCHE: Right. Right now, yes. [LB1004]

SENATOR GROENE: You can have low poverty, you can be a low poverty family, but morally or whatever you do not want to take free handouts from the government--SNAP or whatever...and fill out the form and get a free lunch. [LB1004]

CONNIE KNOCHE: Yes, that's correct. [LB1004]

SENATOR GROENE: And that's about 10 percent, that's where your 1.1, that group? [LB1004]

CONNIE KNOCHE: Yeah. Yes. [LB1004]

SENATOR GROENE: All right. That explains a lot, thank you. [LB1004]

SENATOR SULLIVAN: Any other questions? Senator Pansing Brooks. [LB1004]

SENATOR PANSING BROOKS: Okay, now I'm confused, because I thought it was much higher than 10 percent. So I'm confused. I mean, LPS has 46 percent free and reduced lunch so...I'm trying to figure out what this 10 percent is comparative to that. [LB1004]

CONNIE KNOCHE: Well, it was explained to me by NDE, and they thought that 1.1 would get us over what would actually be the number of kids in the school. But it's capped at 100 percent of the students that you have, so you're not making money off the deal. It's just to make

sure that you're capturing all of your poverty students. So if your building is 80 percent poverty and you multiplied it by the 1.1, then you would have 90 percent times the...that 90 percent then would be counted in your poverty allowance. [LB1004]

SENATOR PANSING BROOKS: Okay, thank you. [LB1004]

CONNIE KNOCHE: Yeah. [LB1004]

SENATOR PANSING BROOKS: Sorry. [LB1004]

SENATOR SULLIVAN: Any other questions? Yes? [LB1004]

CONNIE KNOCHE: I'm also in support of LB1065, would you like me to testify in that later? [LB1004]

SENATOR SULLIVAN: Please, if you wouldn't mind. But briefly. [LB1004]

CONNIE KNOCHE: Okay. [LB1004]

SENATOR SULLIVAN: (Exhibit 3, 4, 5) Any other individuals wishing to testify in support of LB1004? Anyone wishing to speak in opposition? Excuse me though, I would like to read into the record several letters of support for LB1004: Ashley Carroll, Nebraska Action for Healthy Kids; John Bonaiuto, from the Nebraska Association of School Boards; and John Cavanaugh, the Holland Children's Movement. And anyone wishing to speak in a neutral capacity? Senator Cook. [LB1004]

SENATOR COOK: Thank you, Madam Chair, and thank you members for your excellent questions. If you think I didn't go home over the last two weekends and create flashcards, because I'm of that era--of flashcards, to memorize the provisions, particularly as they relate to the multiplier and to the option to the multiplier, you would be guessing wrong. So thank you for your questions. My overarching goal with this bill proposal this year is to follow through with what I thought we did last year, in that expanding the opportunity for children who...I mean, there are buildings in the Omaha Public School District with 97 percent poverty. As I mentioned, five school buildings within Legislative District 13 would be eligible to take advantage of this program once we work out the bugs. And that is my primary reason for introducing it. There was a question related to the provision, related to promotion, that is again something that I have recognized from my experience in state government. Agencies are busy. I want to ensure that districts that are eligible have all the support they need, first of all that they're aware of it, aware

of all of the i's to dot and t's to cross, so that their district would be able to participate. So that is my motivation. It would follow up on the bill that I did to reinstate the student achievement coordinator to just have districts be able to participate more fully in those programs which help their students. So with that, I thank you for your consideration. [LB1004]

SENATOR SULLIVAN: Thank you, Senator Cook. Senator Pansing Brooks. [LB1004]

SENATOR PANSING BROOKS: I sort of wish the Department of Education were here too. They must all be napping for tomorrow's hearing or something. [LB1004]

SENATOR COOK: Well, I wish that, too, Senator Pansing Brooks. [LB1004]

SENATOR PANSING BROOKS: Because it would be nice to be able to ask how they got to that decision, whether it affects LPS and some of the smaller districts out west, and to understand the whole issue. So... [LB1004]

SENATOR COOK: And to understand their thinking, as it relates to what we thought we were doing last year with the bill proposal, compared to what I have proposed and what Senator Sullivan has proposed. So perhaps we will hear in the next weeks through written inquiry from the agency more specific guidelines as to how we can help them with their difficulty in providing this opportunity to as many school districts as possible. And ultimately, to as many school children as possible. [LB1004]

SENATOR PANSING BROOKS: Thank you, Senator. [LB1004]

SENATOR SULLIVAN: Senator Kolowski. [LB1004]

SENATOR KOLOWSKI: Thank you, Madam. Senator Cook, thank you for bringing this forward and the opportunity to see the difference it can make in students lives and families. I think it's important. The issue of the state department, not to jump on a negative bandwagon with them, but the reality of some of the issues that we have in the state comes back many times to an awakening like this. That there is additional money that we pay taxes for that we could be putting our hands on to help the students in our state. A couple years ago we had something my staff worked on, it was almost a \$20 million turn around in special ed funding, that was very important for our state. And we were happy and proud to be able to secure those funds and be able to use those for the future. I just wonder how many other issues might be out there that we need staff members to inform us about to make the moves that we need to move to get these

things before us in a positive direction. I hope that will be heard and we'll be able to make those moves in the future. Thank you very much. [LB1004]

SENATOR COOK: Yeah, I agree. Thank you. [LB1004]

SENATOR SULLIVAN: (Exhibit 6) Anything else for Senator Cook? I would like to read into the record an additional letter in a neutral capacity, from Liz Standish, from Lincoln Public Schools. So thank you very much. [LB1004]

SENATOR COOK: Thank you. [LB1004]

SENATOR SULLIVAN: And this closes the hearing on LB1004. [LB1004]

SENATOR KOLOWSKI: We'll now move on to LB1065. Senator Sullivan, welcome and thank you. [LB1065]

SENATOR SULLIVAN: (Exhibit 1) Thank you, Senator Kolowski. Thank you, members of the Education Committee. I'm Kate Sullivan, K-a-t-e S-u-l-l-i-v-a-n, from Cedar Rapids, representing District 41, and here to introduce to you LB1065, which in many, many ways is very similar to Senator Cook's bill. So I'm not quite sure if I'm here to provide additional clarification or just to confuse you. So we'll see how it goes, and I will try to answer any questions that you might ultimately have. I did want to start though by handing out a handout, if the pages could, because this gives you sort of a bullet point explanation of what the CEP Community Eligibility Provision is. And I call to your attention who it is issued by, and it's issued by the U.S. Department of Agriculture. And I think it's important to note that, because sometimes these federal programs come down to us with all the benefits that one can imagine, but either a little short on details, or because it emanates from a department that is not on the boots on the ground, so to speak, then some of the details have yet to be worked out. And I think to a certain extent, that's the case with the CEP. USDA, in its efforts to keep children from being hungry in school, and making sure that food is accessible to them, but not living with all the details of regulations and rules within the Department of Education. So that's been one of the issues here in Nebraska. Not to stop this program from being implemented, but to work out some of the details. And in all fairness to the department...first of all, Brian Halstead from the department is out of town on a family emergency, otherwise I think maybe he would have been here today to testify. But also, my office has been working with them--you may recall about the introduced legislation last year, to continue to work out some of these details. Because not only did CEP implementation have the potential to impact how the poverty allowance is used by schools, it had an impact on other programs--some of the title programs. So it was just taking the department a while to figure out these details. And that's essentially to what I think Senator Cook

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is trying to do, as well as what I'm trying to do in LB1065. You've heard a lot of discussion about the multiplier or the 110 percent that now will be used in the calculation, for purposes of the poverty allowance. I'll try to add to that discussion or, as I said, perhaps more confusion. But that is one of the components of LB1065, so that it uses the 110 percent, which we hope was the department's best determiner, if you will, to make sure that they were capturing all the students that would fall into that category, so that they would be able to capture all that they would be allowed under the poverty allowance. I would also point out though, there's another component of LB1065 that I think is important to note. And that has to do with families voluntarily providing financial information. Because if you're a CEP school, you don't have to. But there are other things that a student could qualify for, if there was financial information to determine whether or not they would be eligible. For example: student fee waivers, use of musical instruments, transportation for option students, and priority for option enrollment in a learning community district, and eligibility for the ACE scholarships. So a family could provide that financial information for that, but wouldn't have to just simply to qualify for the poverty allowance. It gets a little confusing, but I hope that...I just wanted to make sure that that's an additional distinction with LB1065. So very similar to Senator Cook's bill, I think they work very well together, and just would like you to support this bill. [LB1065]

SENATOR KOLOWSKI: Thank you, Senator Sullivan. Yes, Senator Baker, please. [LB1065]

SENATOR BAKER: Thank you, Senator Kolowski. Senator Sullivan, if we were to this year pass both LB1004 and LB1065, are there any conflicts that result? [LB1065]

SENATOR SULLIVAN: Not that I'm aware of, no. [LB1065]

SENATOR BAKER: Okay, thank you. [LB1065]

SENATOR KOLOWSKI: Senator Sullivan, you would be very close then to meld those two bills together and be able to get a compromise out of that that we could move forward on. That sounds wonderful. I really appreciate what you said about the additional things that would possibly be available, and I just think that the communication challenge for a building principal then to be able to get that out to their constituency, to be able to make sure every parent and every family had that information and to work positively to negate the negative aspect that I'm poor and I'm applying for this, I don't want people to know where that comes from. And you know, kids aren't marked, they don't have a red stamp on their hand or anything like that as they go through the food line. It's something that they should be getting, and all those other aspects of the bill that you described and the benefits that you described should be there for every family. And that would make a huge difference in some of their lives. The aspect of food and the right kind of food is so important for us. And I know Senator Baker and I can talk about how our

schools have changed in the last decade with the sweet things, that are no longer available in the school day, replaced by lots of different fruits, and vegetables, and juices, and many other things that has made them better places, because we've taken out a lot of the junk food, if I can use that term, that would be purchased by the students in our school stores or whatever we had available. So I think we're on the right path and doing the right things, and your additional comments were really helpful to the first bill to see where we might go in the future. Thank you. Senator Baker. [LB1065]

SENATOR BAKER: Thank you. One more question, Senator Sullivan. You know, there's a required annual notification for people eligible for free and reduced-price meals, annual required notification for fee waivers, is there a difference between that and promotion of what's being described here do you think? [LB1065]

SENATOR SULLIVAN: I can't really...you know, I wondered about that portion of Senator Cook's bill, because the department is the one directed to promote CEP. I would assume that that would include some direction to individual school districts on how to promote it. And to your point, Senator Kolowski, then to help them kind of work through what has the potential to either be miscommunication or confusion about this. [LB1065]

SENATOR BAKER: Thank you. [LB1065]

SENATOR KOLOWSKI: Senator Brooks. [LB1065]

SENATOR PANSING BROOKS: Can you speak a little bit to the 110 percent again? So it's the same thing as Senator Cook's pretty much, right? [LB1065]

SENATOR SULLIVAN: It is, it is. And as they have said, and I will say as well, this... [LB1065]

SENATOR PANSING BROOKS: Who is they? [LB1065]

SENATOR SULLIVAN: Senator Cook, some of the testifiers have all indicated, as I do, that this has come through communication with the department in them analyzing the data and trying to come up with some figure that they think will capture all the students that qualify, because they are no longer receiving that application. And that was their best determiner, was if that additional 10 percent will probably capture the ones that will no longer be submitting that application, because as a CEP school will not be asking for that application. [LB1065]

SENATOR PANSING BROOKS: Okay. [LB1065]

SENATOR SULLIVAN: They will get information, okay? Like you say 80 percent...or what did you say, 46 percent of Lincoln Public Schools. [LB1065]

SENATOR PANSING BROOKS: Forty-six in Lincoln. That's across the whole... [LB1065]

SENATOR SULLIVAN: How do they come up with that? Well, they come up with it by the direct certification students that qualified for Head Start, or SNAP, or TANF. [LB1065]

SENATOR PANSING BROOKS: Right. [LB1065]

SENATOR SULLIVAN: And then in addition, they get that from the families in their district that also make application for free and reduced lunch. If they're a CEP school, they no longer ask for those applications. So how do they account for those children in the 110 percent? [LB1065]

SENATOR PANSING BROOKS: So I guess what my question is, do you feel that that number really works across the whole state. That's what I'm interested...I mean, from what I heard, they just were looking at Omaha. And so does that work in your district and does it work in... [LB1065]

SENATOR SULLIVAN: Well, I think the department has analyzed it statewide. And of course you've got...the other thing that really hasn't been mentioned, you've got the direct certification, but you also have income tax returns. And income tax returns indicate what school district you belong to, and so there's that data as well, to show if by income standards they qualify as living in poverty. So that is information that I'm sure the department analyzed and that's also available I think to school districts, or at least to the department in the data that they acquire and analyze. [LB1065]

SENATOR PANSING BROOKS: Does the department have access to income statement data? Sorry. [LB1065]

SENATOR SULLIVAN: They will do it in the aggregate. Not individual returns, but in the aggregate. [LB1065]

SENATOR PANSING BROOKS: Okay, thank you. [LB1065]

SENATOR KOLOWSKI: Senator Groene. [LB1065]

SENATOR GROENE: That's what I was going to clarify with a question is it's the aggregate. They can't look at individual income taxes. [LB1065]

SENATOR SULLIVAN: No, no. [LB1065]

SENATOR GROENE: So you're using 110 percent also of who is on SNAP, who is on welfare to fill in that ones that used to make applications. But you're still using the...you're saying we're still encouraging people to use the applications? [LB1065]

SENATOR SULLIVAN: Voluntarily. If a family wants to be considered eligible for other things like... [LB1065]

SENATOR GROENE: But then if they got more applications than 110 percent, they could prove that they needed more than 110 percent is what you're saying? Would be the second one, because Senator Cook had another option to get. Why would we use, I mean in your bill...I guess I haven't read it clearly. Why would the applications for other things, what does that play into the free lunches? [LB1065]

SENATOR SULLIVAN: Only to the...okay, two things. One, it has to be voluntary, on the part of the family, and secondly, yes, it's an application similar to what is actually the application used for free and reduced lunch. But it would be used for other purposes. [LB1065]

SENATOR GROENE: All right. But not factored back into the free, for no reason whatsoever? [LB1065]

SENATOR SULLIVAN: Right. [LB1065]

SENATOR GROENE: And to make clear, many school districts in your district and mine don't get a poverty allowance because we're not equalized. So it really doesn't make a difference how many free lunches we get. All right, thank you. [LB1065]

SENATOR KOLOWSKI: Senator Baker, did you have your hand up, sir? [LB1065]

SENATOR BAKER: Did not. [LB1065]

SENATOR KOLOWSKI: Okay, thank you. Senator Pansing Brooks. [LB1065]

SENATOR PANSING BROOKS: Thank you, Senator Kolowski. So you don't have that second part, it's just 110 percent. Senator Cook has the second part that if it doesn't work, you can just rely on the other...you can rely on the previous year data. Is that correct? [LB1065]

SENATOR SULLIVAN: It can... [LB1065]

SENATOR PANSING BROOKS: She has a two-prong... [LB1065]

SENATOR SULLIVAN: I do too, I do too. [LB1065]

SENATOR KOLOWSKI: Both have them. [LB1065]

SENATOR PANSING BROOKS: Okay, sorry. I missed that. Thank you. [LB1065]

SENATOR KOLOWSKI: Any other questions for Senator Sullivan, please? Thank you. We will take proponents now at this time, please. Welcome again. [LB1065]

CONNIE KNOCHE: Senator Kolowski, members of the Education Committee, my name is Connie Knoche, C-o-n-n-i-e K-n-o-c-h-e, and I'm here in support of Senator Sullivan's bill, and I thank her for introducing that. A multiplier is important in this calculation, because you need to account for the number of applications of students that would qualify based on their income, but that are not recognized in a direct certification. So we're in support of this bill. [LB1065]

SENATOR KOLOWSKI: Thank you. We seem to be two good bills here. [LB1065]

CONNIE KNOCHE: Yeah, I think they're very good. [LB1065]

SENATOR KOLOWSKI: There's some common ground, and we can put on a very solid compromise on in the future. It's really important that we stress to keep in mind...in my mind, the need for the poverty money across the entire state. It's not just an Omaha issue or a Lincoln issue, it's all across our state, as far as small districts everywhere, medium size districts on Interstate 80, or wherever we might be. And that's something that we're having kids fall through the cracks on, and we don't need to have that happen. [LB1065]

CONNIE KNOCHE: Yeah, and if they can qualify for free breakfast and free lunch, that's great for all of them. [LB1065]

SENATOR KOLOWSKI: Absolutely. Thank you very much. Yes, Senator Groene, please. [LB1065]

SENATOR GROENE: So this program, it's for breakfast and lunch? [LB1065]

CONNIE KNOCHE: Yes. [LB1065]

SENATOR GROENE: Do you have breakfast and lunch in most of your schools already? [LB1065]

CONNIE KNOCHE: Yeah. We have it in a lot of our schools, but the CEP schools for sure have breakfast and lunch. [LB1065]

SENATOR GROENE: But it's 100 percent breakfast and lunch? [LB1065]

CONNIE KNOCHE: Yes, for all students in the school. [LB1065]

SENATOR GROENE: So you...as far as financially to your district it's... [LB1065]

CONNIE KNOCHE: It's not a moneymaker. [LB1065]

SENATOR GROENE: No, it's just you're looking at feeding more kids. [LB1065]

CONNIE KNOCHE: Yes. [LB1065]

SENATOR GROENE: It's not about getting more poverty money? You don't think that will be a wash? [LB1065]

CONNIE KNOCHE: No, right. It's not to gain more poverty dollars or any of that. It's just to make sure that we're not, you know, losing money because of participating in the program. [LB1065]

SENATOR GROENE: These schools that would qualify, are all the kids eating now? [LB1065]

CONNIE KNOCHE: I don't know for sure. I think...well, the direct certify kids would be for sure, and the ones that qualified because of income do. There are some that pay for their lunches. [LB1065]

SENATOR GROENE: And some kids don't eat is what you're saying, or they bring lunches? [LB1065]

CONNIE KNOCHE: Yeah, they may bring their lunch or...I'm not sure what they do. [LB1065]

SENATOR GROENE: But even if you give a free lunch to everybody, that's no guarantee everybody's going to eat. [LB1065]

CONNIE KNOCHE: That's true. [LB1065]

SENATOR GROENE: Unless we start forcing that, too. [LB1065]

CONNIE KNOCHE: Right. And that's where you may have trouble in the higher grades. [LB1065]

SENATOR GROENE: Thank you. [LB1065]

SENATOR KOLOWSKI: Additional questions? Thank you very much. [LB1065]

CONNIE KNOCHE: Thank you. [LB1065]

SENATOR KOLOWSKI: Additional proponents, please. Welcome again. [LB1065]

JAMES GODDARD: Good afternoon again. My name is James Goddard, that's J-a-m-e-s G-o-dd-a-r-d, and I'm the director of the economic justice program at Nebraska Appleseed. I just want to thank the committee and Senator Sullivan for working on this issue. It is a part of the TEEOSA formula, it's something that's technical in nature, and I think there's some measure of, at least for me, some measure of difficulty describing it well for you sitting up here. And I would offer to put something on paper, with some hypotheticals, so you can see how the multiplier plays out as we see it. I think both of these bills are going to move to helping schools take up CEP, and I look forward to talking more with the introducers and being as helpful as we can to work out any differences between the two. [LB1065]

SENATOR KOLOWSKI: Any questions, please, for Mr. Goddard? Seeing none, thank you very much. [LB1065]

JAMES GODDARD: Thank you. [LB1065]

SENATOR KOLOWSKI: Thank you, speakers, for your brevity, and not repeating what everyone said before. I appreciate that very much. Any additional proponents? Any opponents to that bill, please? To LB1065, opponents? Anyone in the neutral category that would like to speak? [LB1065]

JULIA TSE: (Exhibit 2) Good afternoon again. My name is Julia Tse, J-u-l-i-a T-s-e, and I'm here on behalf of Voices for Children, to testify in a neutral capacity on LB1065. So I think now you're getting a copy of some of the initial calculations that we did on numbers that were made available by the Department of Education. So those are the numbers that I mentioned in the last bill, that they were required to release in May. And I think that's about two-thirds of what we found on their web site for schools that were eligible for the provision. So hopefully this won't serve to confuse more people with the numbers, but what we did was we took the ISP that the Department of Education reported, and multiplied it by 1.1, and then compared it to the free percent that we got from the same data source. So what you'll see is that there are quite a few schools who would suffer a loss, the highest one being Norris in Omaha, second being Howard in Grand Island. And we got these numbers directly from the department, and our understanding is that the way that the 1.1 multiplier was calculated was initially from the seven schools. And I actually got a chance to look at that spreadsheet, but I didn't bring that with me today, so I'm sorry about that. So I think from our perspective, we want to ensure that before we proceed with the 1.1 multiplier alone to calculate state aid, we would recommend that the department conduct this analysis on all of the data. Our understanding is that maybe the data that we obtained from their web site it's not in its final form and may not reflect what is actually happening in schools. So we would otherwise recommend, like Senator Sullivan mentioned, to sort of combine the two bills, with the goal of feeding more kids in schools. And with that, I would thank Senator Sullivan for her work on this issue and for her leadership on this committee. And we would respectfully urge the committee to consider our concerns regarding this bill. Thank you. [LB1065]

SENATOR KOLOWSKI: Thank you. Any questions, please? Seeing none, thank you...oh, sorry. Senator Pansing Brooks. [LB1065]

SENATOR PANSING BROOKS: Thank you, Ms. Tse. I was just wondering, so do you have a suggestion? So you would think it should be increased? [LB1065]

JULIA TSE: I think our perspective is just that we want to make sure that we proceed with caution in cementing the multiplier based on seven schools. We think may present a challenge later for a lot of schools around the state. [LB1065]

SENATOR PANSING BROOKS: And so these numbers you said are numbers that are on the web site, but they're not final numbers? Or what... [LB1065]

JULIA TSE: I...so in May of 2015, like I mentioned, all state departments of education were required to publish numbers on eligible schools, so that schools would be aware that they were eligible. And so these are those numbers. But our understanding is that the department, in conversations about this provision, later conducted analyses on seven schools that had already opted in to the provision. So there's some confusion about the numbers and we just...we're completely in support of the bill's intent to increase participation, we just want to urge a little bit of caution with the formula. [LB1065]

SENATOR PANSING BROOKS: And is that estimated loss...negative 34 what? [LB1065]

JULIA TSE: So the estimated loss would be the free percentage in that school, less the ISP times 1.1, which is the proxy. [LB1065]

SENATOR PANSING BROOKS: So per student? [LB1065]

JULIA TSE: It would be...these are percentages of the school population. [LB1065]

SENATOR PANSING BROOKS: Of the whole school. [LB1065]

JULIA TSE: Yeah, the enrollment. [LB1065]

SENATOR PANSING BROOKS: So, is what you're saying Norris' multiplier should have been 1.44? [LB1065]

JULIA TSE: Yeah, sure. Yes. [LB1065]

SENATOR PANSING BROOKS: Is that what that's sort of saying to you? [LB1065]

JULIA TSE: Yes. So, I mean, from the chart you can see that there's a great deal of variation, which I think should be factored into this. [LB1065]

SENATOR PANSING BROOKS: Wow. Okay, thank you. [LB1065]

JULIA TSE: Thank you. [LB1065]

SENATOR KOLOWSKI: Any other comments from anyone? Again, I think you raise an excellent point. Cautionary aspect of are the figures correct with the multiplier that we're using, and what else might we do in the future that would be decided by a future education committee and bringing a bill forward in a future session? So those are very good possibilities that we'll look at as the bill plays out. And we see where we are right now, making hopefully this first level of gains, and to analyze that versus the needs in our state and what else we might be able to do in the future. Thank you very much. [LB1065]

JULIA TSE: Thank you. [LB1065]

SENATOR KOLOWSKI: (Exhibit 3) I have one other letter here. Letters for the record in a neutral category for LB1065, and that's from Liz Standish, in the Lincoln Public Schools. And now for closing, Senator Sullivan, please. [LB1065]

SENATOR SULLIVAN: Thank you, Senator. I don't think anybody is arguing with the fact that we want to try our very best to provide meals to students in schools. And the CEP program seeks to remove the stigma of applying for free and reduced lunch applications, and making sure that more children have access to breakfast and lunch at our public schools. I think, as I indicated in my opening on this bill, a federal program comes down and you want to make it accessible, but it has details that need to be worked out. And I think that's where we find ourselves with the implementation of CEP. So to say that the conversation and the need to fine tune it would end with the introduction and ultimate passage of these two bills, I don't think that's accurate. So as the department collects data, and of course as individual school districts look at how implementation of CEP would work for them, those are two different things. I think promotion and explanation by the department could conceivably help schools understand this. So I think it's well-intentioned, it's something that we should do, but I think it's also a work in progress. [LB1065]

SENATOR KOLOWSKI: Thank you, Senator Sullivan. Any other questions for the Senator? That's it, thank you very much. And that ends our three bills for today and our hearing for today, with the conclusion of LB1065. [LB1065]