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Education Committee
February 02, 2009

[LB464 LB479 LB530 LB547 LB558 LB665]

The Committee on Education met at 1:30 p.m. on Monday, February 2, 2009, in Room 1525 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB479, LB530, LB464, LB558, LB665, and LB547. Senators present: Greg Adams, Chairperson; Gwen Howard, Vice Chairperson; Brad Ashford; Abbie Cornett; Robert Giese; Ken Haar; and Kate Sullivan. Senators absent: Bill Avery. [LB479]

SENATOR ADAMS: Let me, first of all, introduce the committee and staff. First of all, to my right is Becki Collins, the committee clerk; and as you approach the table, if you wish to testify, remember you need to fill out the form and leave it with Becki, and be sure that you initiate your testimony with stating your name and spelling it for the record, so we can make that very clear. And again, committee, I'd ask that, as I recognize you, if you let me recognize you so that we can get your names into the manuscript as well. Next to her will eventually be Senator Ashford; and Senator Bob Giese from South Sioux City; Abbie Cornett, Senator Cornett will be here very shortly; Tammy Barry, the legal counsel; I am Greg Adams. Next to me is the vice chair of the committee, Senator Howard; Senator Sullivan from Cedar Rapids, Nebraska; Senator Avery won't be with us today. Senator Haar is here from the Malcolm area, and eventually Kris Valentin, our research analyst will be here. Our two pages today are Sarah McCallister and Brennen Miller, and I'd advise you that if you have things to hand out, that you address those things to them and they'll distribute them to the committee. As we go through our bills today, I'd ask you to...typically we use the lights. I am going to make a guess here based on what I see that maybe we won't need to today. Nonetheless, I'd ask that you limit your testimony to about five minutes, and we can move through things pretty expeditiously, I think, that way. So with that, let's begin the first hearing on what is LB479. Senator Rogert. [LB479]

SENATOR ROGERT: (Exhibit 1) Thank you, Mr. Chairman, members of the Education Committee. My name is Kent Rogert. I represent the 16th Legislative District. And I'm here today to talk about LB479. I'm distributing an amendment that I'll address here shortly. But this bill has been kind of a work in progress over the past couple of years. I started getting phone calls and e-mails last year from several constituents and nonconstituents after the issue started to get brought up about preschoolers and kindergartners that are being....they're kind of caught in the middle, I guess, what I would maybe illustrate it. Our current laws say that if you're going to have...if you're going to be seven years old before the end of their school district's year, that means you have to go to kindergarten the previous year. You can't be seven while you're in kindergarten. There are also some laws that talk about a preschool class, and it basically says if you're going to be of a certain age by October 15, you need to be out of the preschool, which catches some kids in the middle. They may...their parents may think they're not ready for preschool, so they hold them back a year only to find out the following year that they aren't eligible for preschool any more. They have to be forced

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into kindergarten. And they don't like that idea either. So what they've been saying is well, just send them to kindergarten and they can go to kindergarten for two years. And that's not something most parents want to have happen. They don't want to have their kids be there twice. So we started looking at it last year, and I got an amendment attached to one of Senator Raikes' bills at the end of the year that allowed an exception last year. In fact, it's in the language there. I think it says starting in the 2008 school year that these kids could still be in a preschool class, even if they were over the age of where they should have been. It didn't allow...it didn't change the kindergarten date, and it still said those kids that were going to be seven throughout that school year had to be in kindergarten rather than wait a year. But that exception ended, it will end of the end of the school year. And so I have a bill and Senator Sullivan has a bill coming after me to look at different ways to address the issue at hand. The amendments I have handed out basically puts in the exception again that I had last year. It makes that a permanent thing. So it seems to me that, I think some of these schools are caught in a little bit of a Catch-22. They want everybody that they can go to preschool while they can and they want everybody that should go to kindergarten while they can. However, they have maybe some problems with room or they have, you know, they don't have big enough...class size enough to hold all the kids that are coming in or they're having to start another class that sits in-between these for these guys that are a little too old to be in preschool, but not old enough that they want to go to kindergarten. So they have another teacher in another room for nonsupported preschool. And it's, whatever the will of the committee, this particular bill or Senator Sullivan's bill or some combination of the above, my intent is just to address preschoolers and early childhood education to make sure that they are getting in there where they need and where they, we're not forcing kids to go to kindergarten ahead of time. I know there's, you know, you get into issues of what's called red-shirting, and that's something we try not to get into the habit either by holding kids back longer to let them be more advanced as they go through their elementary school. But I didn't bring, I didn't hand you copies, but I've got a, you can see, it's a fairly sizeable stack of e-mails that I've gotten the last couple of years from parents of kids that are asking for help in this type of situation. So I'll try to answer any questions, but that's basically all I have. [LB479]

SENATOR ADAMS: Committee, are there questions for Senator Rogert. Yes, Senator Howard. [LB479]

SENATOR HOWARD: Thank you, Mr. Chairman. I don't know if you'd know the answer to this, but are the pre-K kids three-years-old and four-years-old or are they just basically the four-year-olds? Do you have to be four before you go to the pre-K? [LB479]

SENATOR ROBERT: No, but you get preference in a school where there isn't maybe room. You can send them if they want to accept you. I think if they're younger, I think some students will, or some schools will let them come in if they have room. But...and

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they would let some of these older kids come in if they had room. But the ones that are actually eligible for, within the specified age, they have precedence over the ones that aren't. And some of these schools, out in the rural areas, at least, are growing and those types of, in the younger grades and so they're trying to accommodate that, as I mentioned they just don't have quite enough room and that this rule kind of designates a priority of certain kids over others. [LB479]

SENATOR HOWARD: So it is determined by the schools, each individual school determines it themselves. [LB479]

SENATOR ROBERT: No, not necessarily, but they may have a little more latitude, if they happen to have room. [LB479]

SENATOR SULLIVAN: Okay, thank you. [LB479]

SENATOR ADAMS: Are there other questions? Senator Robert, and it's not my intention to put you on the spot, but to help the committee with additional background; the amendment that you brought up last year? [LB479]

SENATOR ROBERT: Yes. [LB479]

SENATOR ADAMS: Can you explain to the committee what precipitated that amendment in the first place? [LB479]

SENATOR ROBERT: Sure. Well, it came, it came, I don't know that I have a copy, but it came late in the year. We started work on the idea, and we were just kind of not figuring out exactly where we were going to go with it, and it was a short session, of course, but as we got, we were looking for a...because the idea came after bill introduction. And the only thing we could do was throw an amendment on some sort of education bill that addressed that portion of the statutes. And I think it was LB653, I don't remember the number, but it happened to be of the same subject matter, and so Senator Raikes was gracious enough to let us attach this to it. And we got the approval of the body from...after listening to my story that I was telling about the kids that are basically hanging out there in limbo. [LB479]

SENATOR ADAMS: Wasn't there a notification issue that precipitated some urgency that you try to make that, get that amendment in? [LB479]

SENATOR ROBERT: Well, yeah, because I think it had come into effect, and I don't know whether some schools missed it and it's where it came to these, the kindergarten roundup time had come around and some of these parents had held their kids back from preschool, and they brought them in this year saying, well, we're ready to go to preschool, and they went, oh, you've got to go to kindergarten. And so that's where the

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urgency came in. It was like if we get it in now, we'll be able to allow them to go to preschool this following year. That's why we got it in there. [LB479]

SENATOR ADAMS: Okay. All right. Thank you. Committee, are there other questions for Senator Rogert? Thank you, Senator. [LB479]

SENATOR ROBERT: And I'll just waive closing. I have some other stuff going on, so. [LB479]

SENATOR ADAMS: All right. We'll begin with proponents to this bill. If they would come forward now. Proponents? [LB479]

JASON DOLLIVER: Good afternoon. My name is Jason Dolliver, J-a-s-o-n, D-o-l-l-i-v-e-r. I am currently the preschool through twelfth grade principal in Pender, Nebraska, and next year will be the superintendent at Pender Public School. I just wanted to speak on behalf of the bill, and just to kind of let you know where schools are with the current legislation and what we have to do, so that you kind of have a little bit of knowledge of the choices we have to make. As Senator Rogert alluded to--there's a group of kids, typically born in the summertime: June, July, August, even in September and October--whose parents would like to make the choice to not send them to kindergarten when they are four-years-old or have just turned five-years-old. So the bill that was originally put through made them either skip a year of school, if they had attended preschool the year before, or enroll them in kindergarten depending on what they wanted to do. Well, the parents are saying, we really aren't ready to send our child to preschool, or, I'm sorry, to kindergarten yet. And so what our district did was created a program for the kids who had to...they couldn't be enrolled in the preschool program, but they were old enough to go to kindergarten. So we created a program, we had to actually hire a half-time teacher for this program and it affected a large, you know, a significant percentage of our kids; enough so that we could put this program into place. If we didn't have to create this program, we could put these students, like I said, if they were born in June, July, August, September, into our preschool program. Then the following year, they could be enrolled in the kindergarten program without; they'd still be completely legal. But like I said, it's just something that put us in a tough spot. And we either had to create a program or leave some kids out which definitely is not best practice as far as getting kids ready for kindergarten and the rest of the elementary. I think one thing that's important to remember. Experts talk about students being ready to go to kindergarten and what age students can attend kindergarten is the best. And even if you send a four-year-old to kindergarten, they can get academically caught up and be fine. The problem with that argument is that that's not research on the end of it. And what I mean on the end of it is, what happens to a 17-year-old when they graduate from high school and begin their adult lives, and don't turn 18, say, until October 14 of their freshman year at college. There's just not much research on the other end of the spectrum and what we believe is that it should be kind of the parents' choice to make

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that decision as based on when they can go to kindergarten and eventually when they'll graduate. And not have to miss a year of preschool as a result. [LB479]

SENATOR ADAMS: Any additional testimony, Jason? [LB479]

JASON DOLLIVER: I think that's it. I guess just the other thing is I've read through both bills, LB479 and LB530. I think I understand both of them fairly well. I just don't want to...I want to make sure that schools aren't put in a difficult spot as far as making sure that kids can attend school when they're ready. [LB479]

SENATOR ADAMS: All right. Are there questions for Jason, committee members? Jason, you talked about best practices. And certainly that's the direction we always want to be going in. Tell me specifically in Pender where you're at. Certainly, parents ultimately have this decision to make. Where do your teachers, where do your professional people fit into that decision-making process? [LB479]

JASON DOLLIVER: I'm glad you asked that, because they definitely are in favor of our opinion here. They say, you know, what age really doesn't make the determining factor in whether a student is ready to go to kindergarten or not ready to go to kindergarten. It's based on their present level of functioning, and we've had several meetings with our preschool and kindergarten people and they definitely would like it to be the choice of the parent. They seem to know their students the best, so they are in favor of that. [LB479]

SENATOR ADAMS: We are probably always going to run into that differentiation of students, aren't we, coming in? [LB479]

JASON DOLLIVER: Yes. [LB479]

SENATOR ADAMS: There's going to be a disparity, whether they're starting kindergarten or first grade. That disparity is going to be there. So I hear you're saying that what your teachers are saying, let's smooth that disparity out here? [LB479]

JASON DOLLIVER: That's definitely correct. You know, we've got kids who are going to be in the same grade. It's whether or not they can attend the preschool the year before they actually enter the kindergarten class with those same kids or not. [LB479]

SENATOR ADAMS: What is the deficiency? Is it an academic deficiency or a social deficiency that you hear typically as the argument to repeat, hold back into early childhood? [LB479]

JASON DOLLIVER: You know what, it's a little bit of both. I think it's something where they don't feel that their kid academically is there and also socially maybe they need a

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little bit more time. It is a little bit of both definitely. [LB479]

SENATOR ADAMS: How many students are we talking about in Pender, on an annual basis, would you say? [LB479]

JASON DOLLIVER: On an annual basis, we typically have about 20 to 25 kids per class, and we're talking about five to eight kids per year. [LB479]

SENATOR ADAMS: That you would like to see? [LB479]

JASON DOLLIVER: That are affected by this. Yes. [LB479]

SENATOR ADAMS: Affected by that. Okay. [LB479]

JASON DOLLIVER: So it's a significant percentage. You're talking a quarter of the class. [LB479]

SENATOR ADAMS: Tell me then, if this law were changed, and you could allow all five to eight of them to repeat, how does that impact who begins? [LB479]

JASON DOLLIVER: Who begins as a kindergarten, is that? [LB479]

SENATOR ADAMS: No, no. In the early childhood program. Your numbers, your availability of space. [LB479]

JASON DOLLIVER: Yeah, it definitely has an impact, and that's something that we have to creatively plan for. You know, we are allowed 20 kids based on we have one teacher and one aide which allows us 20 to 1, I'm sorry 10 to 1, but we can get it up to 20. And you know... [LB479]

SENATOR ADAMS: So, in effect, you're talking about 25 percent repeating. [LB479]

JASON DOLLIVER: Correct. [LB479]

SENATOR ADAMS: And I'm assuming you have some population of students waiting to get in. [LB479]

JASON DOLLIVER: Correct. Yep. What we do is we, with our program, we allow students to choose whether they can come every day or for portions of the day. And it's for that exact reason, so that we can get as many kids ready as possible academically and socially for once they begin the kindergarten. [LB479]

SENATOR ADAMS: Thank you, Jason. [LB479]

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JASON DOLLIVER: You're welcome. [LB479]

SENATOR ADAMS: Are there other questions for Jason? Seeing none, then thank you. [LB479]

JASON DOLLIVER: Thank you. [LB479]

SENATOR ADAMS: Other proponents? All right, for the record, I'd ask one more time if there are any other proponents to this bill? Seeing none, then those in opposition. We wait to hear from you. Anyone in opposition? Neutral testimony then? [LB479]

MELODY A HOBSON: My name is Melody Hobson, M-e-l-o-d-y H-o-b-s-o-n, and I'm representing the Nebraska Department of Education. And I would like to give a little bit of information about what I think the impact of this bill might be. Essentially, publicly funded early childhood programs are not available in all communities. And private programs are sometimes out of reach to low and moderate income families. This bill, as I understand it, does allow in the first couple of years that a program is in operation of a school district to allow those kids who are five to attend. And my understanding is that, you know, for those new programs that would allow, you know, those families who were caught in not having the public program in the years past. I mean, for those kids that, you know, if they had not had a program last year, there was no way that the preschoolers could get that early childhood education. We also have heard, you know, as you've heard also previously that there is some family support and some school district support for allowing this flexibility. Now, on the other hand, we do have publicly funded educational opportunities for five-year-olds, and it's kindergarten. And parents are not legally required to send their children to kindergarten. They have the opportunity to keep them out. What we are talking about today is whether school districts, whether it's the best use of funds to provide both a free, a five-year-old educational opportunity for a child in a preschool program and a free year of education in the kindergarten program. And we do know that we don't have enough spaces for at risk children in the state in our publicly funded programs. And so we would urge the committee to look very carefully at these bills to ensure that five-year-olds do not take the place of an at risk four-year-old or three-year-old in the preschool program. Do you have any questions? [LB479]

SENATOR ADAMS: Thank you, Melody. Committee members, questions? Well, Melody, I have. I'm going to follow-up on the same line of questioning that I did with Jason, the superintendent. So how much typically do teachers, the professionals, how much input do they have in these decisions of retaining or holding back that student. I mean, ultimately it's the parent's decision, is it not, by law? [LB479]

MELODY A HOBSON: It is. Right. It is the parent's decision. Anecdotally, we've heard

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different things in different parts of the state. We have heard school districts that say, you know, we want these kids in kindergarten, you know, we encourage them to be in kindergarten. We've also heard people say that...we tell the parents not to send their kids. And I have no, I have no statistics for you. Those are just the things that I've heard when I've been out in the state. So I think it depends in the area of the state that you go to and in the school district. [LB479]

SENATOR ADAMS: All right. The issue that I raised about if we let a child repeat, and you have a finite amount of space, there are certain student-teacher ratios. Aren't there certain square footage ratios per student that have to be met? [LB479]

MELODY HOBSON: Right. There are square footage, yeah. There are square footage ratios, there are teacher-child ratios, there are para ratios. [LB479]

SENATOR ADAMS: Are those federal or state? Those are federal standards? [LB479]

MELODY HOBSON: Those are, well, those are state. Part of them come from Rule 11, but the teacher-child ratios and the square footage ratios are identical to what is required in state licensing for a licensed program. There are also federal Head Start performance standards. If a program is collaborating, which we encourage with Head Start, those tend to be even a little bit more stringent than Rule 11 requirements. And the one thing that I also do need to point out additionally, is that regardless of the passage of any of these bills, if the school district does use Title I funds for their preschool, they cannot serve children who are kindergarten age eligible with Title I funds. So regardless of what the state says, that's something that would need to be clarified for the school districts. [LB479]

SENATOR ADAMS: Okay. Committee do you have other questions for this person? From the standpoint of pedagogy, here's a loaded question. Should we be holding them back? [LB479]

MELODY HOBSON: Okay. Research does not support that. There is some research, long-term research about children who are over age for kindergarten when they start and children who are...who tend to be...who are over age for the grade level that they're in, sometimes have poor outcomes. Sometimes they drop out of school more, and this is very complex research. So I certainly wouldn't, I wouldn't use that as a predictor, but it does, it does cause me a little bit of concern. The other thing is, you know, we are nowhere near serving all the at risk children in this state in preschool. You know, we serve about, we have about 30 percent of our at risk four-year-olds based on the state criteria for at risk who are not being served in any school district or ESU program or even Head Start. And for three-year-olds, we have about 75 percent of our three-year-olds who are not being served. [LB479]

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SENATOR ADAMS: And why is that? [LB479]

MELODY HOBSON: Capacity. [LB479]

SENATOR ADAMS: Hence, we come back to the argument that if it holds somebody back, I've got a child out here that's yet to see the inside that may not find a space. [LB479]

MELODY HOBSON: Yeah. And there are some certain exceptions. Right now, if a child has a disability and the IEP team decides that the best place for this child, if the child's needs cannot be met in kindergarten, then it is acceptable, it is within federal and state law to allow that child to be in a publicly funded...to allow the child to be in either Head Start or a school district program. But with ideally, legislation, anything that is not considered, you know, that is the least restrictive environment or mainstreamed environment really needs to be to qualified. And so the school district does need to say to you why is it that kindergarten is not appropriate for this child. [LB479]

SENATOR ADAMS: Okay. [LB479]

MELODY HOBSON: So, but there is that exception. [LB479]

SENATOR ADAMS: All right. Thank you. Other questions. If not, thank you, Melody. Is there other neutral testimony? [LB479]

MARY CAMPBELL: Senator Adams and members of the committee, I just wanted to echo one statement made by the department and maybe give you a for instance of it. In Lincoln, at the Lincoln Public Schools, we have a waiting list of 500 students to get into pre-K programs. And I don't have, I wish I had for you today the breakdown on the ages within that waiting list. I don't know if we're denying at risk three- and four-year-olds to accommodate older children who could possibly be in the regular system. But I just thought perhaps that number would be something to be considered, at least in this setting. Another comment that I would just make in response to the department's comments is just a general philosophical, educational inquiry as to instructional approaches and concerns when you have a student group of that developmental diversity, ages three to possibly as old as six, in that same setting. So I would just add those observations. [LB479]

SENATOR ADAMS: Thank you, Mary. Committee members, are there questions for Mary? Seeing none, thank you. Is there other neutral testimony? Well, seeing none, Senator Rogert waived his closing, so that will end the hearing on LB479. Senator Sullivan, your turn, LB530. [LB479]

SENATOR SULLIVAN: Thank you, very much, Senator Adams, and members of the

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Education Committee. I'm Senator Kate Sullivan representing District 41. That's Kate, K-a-t-e, Sullivan, S-u-l-l-i-v-a-n. And I hope in the course of my testimony, I will, first of all, outline some differences between the two bills; one by Senator Rogert and also myself, and then maybe address some of the issues that have been raised in testimony thus far. First of all, for starters, LB530 would allow early childhood education programs established by school districts or educational service units which are not receiving a grant through the early childhood grant program, to serve children who meet the age requirements to attend kindergarten, but are not of mandatory kindergarten age. Under LB530, it will be a local decision to accept these children into the early childhood education program in their schools. I introduced this bill at the request of several superintendents from my legislative district. You are actually going to hear testimony from them shortly. What I'm asking is to let Section 79-201, the compulsory attendance statute, govern when a child attends kindergarten. But I'm also asking to let parents make the decision about when their child is ready to start kindergarten, and give them the flexibility and choice for their kindergarten age child to attend their school's preschool program. As Senator Rogert said, the Legislature passed LB1153 in 2008 to allow parents to enroll their kindergarten-eligible children in preschool for this school year only. After this school year, without my legislation, LB530, a child whose birthday is prior to October 15 starts preschool at four years of age. Then if the parents want the child to stay in preschool for yet another year, they won't be able to do that because the child turns five before October 15. Kindergarten then becomes the only option for them at public school. So the fact remains, what else do the parents do? We've seen them take their child to a private preschool. Well, in my district, that quite frankly, isn't an option that's usually available. If the parents don't want their child to go to kindergarten yet, the child must sit out a year, with no preschool before they can start kindergarten at age six, which is the mandatory age to attend kindergarten. In either case, it has the potential to be disruptive to a child's learning. Early childhood education is intended to prepare children to be successful students when they get to school. For most children, early childhood education works just like it's intended. Some children may not mature as fast as others. They may need more time in preschool before they're ready to go to kindergarten. The current law will force parents to send their children to kindergarten when the child might not be socially, emotionally or academically ready. And as a result, if the parent decides to keep the child home for a year, his or her progress in preschool is lost or disrupted at the very least. In researching background on this issue, I read comments from an education department official who testified at a hearing for a similar bill in 2007. I quote: In communities where there are young at risk children who do not have access to an early childhood program prior to the time that a school district starts a program, we have had administrators express concerns that the law does not allow them to make a decision in the cases where they and the parents believe the child would benefit from a year's experience in the pre-Kindergarten program prior to entering kindergarten. The official went on to say, once the programs are established, this issue will diminish because more and more children and hopefully all children will have access to an early childhood program. Well, unfortunately, that bill did not pass. The

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official was also wrong in her assessment that the issue would go away. Yes, we do have some successful early childhood education programs in the schools. And though the Legislature approved LB1153 in 2008 to allow parents to enroll their kindergarten-eligible children in preschool, it makes that allowance only for this year. So the problem will continue to exist, if LB530 does not become law. There is a gap. Children who aren't quite ready for kindergarten can't stay in preschool because they have reached kindergarten-eligible age. We're quite frankly not thinking about what's best for the children or allowing those who know the child to make these determinations. Now, I am aware of what some may consider the ongoing debate about kindergarten red-shirting among education professionals. I really don't think that's the reason the parents in my legislative district want their children to have another year of preschool before they go to kindergarten. They simply want this change because they believe it's the best thing for their child. I'm also aware that many education professionals believe all children should go to kindergarten when they're five, regardless of their personal development; that holding children back does not help their development in the long run. And the other concern raised is parents using an early childhood program just simply for day care. While in the towns in my rural district, the only available preschool or early childhood program is run by the school or the ESU. There are no private problems available. So it's my belief that we should make the one-year exemption that was granted in LB1153 permanent. It's in the best interest of the children, the parents, and ultimately the state. And I will point out that there are, as I said earlier, differences--minor that they may be--between LB530, my legislation, and Senator Rogert's, LB479. LB479 would not allow programs receiving funds through TEEOSA to accept kindergarten-eligible children. LB530, my bill, would allow programs receiving funds through TEEOSA to accept kindergarten-eligible children. LB479 would not allow kindergarten-eligible children, if they've been previously enrolled in any early childhood education program. LB530 does not make a distinction based on previous enrollment in any early childhood education program. So again, in summary, I thank you for your interest. I encourage you to advance LB530 to General File, and I'll be happy to answer...to try to answer any questions. [LB530]

SENATOR ADAMS: Thank you, Senator. Are there questions for Senator Sullivan? Seeing none, we'll let you off the hook for a few minutes. Are there proponents to this bill? [LB530]

MICHAEL GILLMING: (Exhibit 2) I am Michael Gillming, Superintendent of Litchfield and Sumner-Eddyville-Miller Public School. And that's G-i-l-l-m-i-n-g. Michael is the first name. First, I'd just like to thank the committee for taking the time today to hear us all, and Senator Rogert for presenting his bill. I think we're kind of on the same page. I think one statement I'd like to make is preschool is, I think, is going to turn out to be a fantastic thing for education in Nebraska. I can use a quick little example here. I have a little preschooler this year that thought you were supposed to take your clothes off when you went to the bathroom. Well, we have him so he's leaving his clothes on now, but we

still have a little trouble with him wanting to do the number two in the urinal. But we're gaining. So anyway, I don't know...you have to be a very loving teacher to be a preschool teacher. And they're out there, they really are. But I think you're going to find...the thing that I most hate about the way our bill is written now is the fact that we're kind of forcing our four-year-olds to start kindergarten. And I think our parents are used to waiting until they're five years old. I don't think we're actually changing when they'll start kindergarten, if we let them repeat, and notice I say repeat preschool, not hold back. But if they repeat preschool or take two years of preschool, I think you can find that they start when they're five, just like they were starting before they were allowed to take preschool. But again, I see some great things from our preschool. I just, I don't, when you talk about 79-1102 and all those; talking about our early childhood, we talk about how we want to involve our parents. And I think taking the choice away from when they can start kindergarten is not allowing your parents to have choices. The other thing that's really positive about preschool is most of us run a half-day preschool so they either get...they get one meal, maybe two meals at school. So even our lower poverty type children are getting at least one good meal a day during the week before they go home. I think that's a real plus. And you may hate to think that, but I think there is people or children in our...in Nebraska that don't eat properly, and at least we know they get one good meal. My whole concern is my parents. This year I had--because of Senator Rogert's bill last year--I had two preschool boys repeat preschool this year, or take a second year of preschool, and they'll start kindergarten, of course, next year. One was the preschool teacher's son. So if anyone should know, even from a mother's standpoint, she realized her son was not quite ready for kindergarten. And now we are just in our second year of preschool at Litchfield, but you can already...if you talk to the kindergarten teacher this year...she could see quite a change on the kids when they started kindergarten in the sense that they already knew how to go to P.E.; they already knew how to go to music; they already knew how to line up to go to the bathroom; to get a drink; and all of that. You know, she didn't have to spend days and weeks getting all that arranged because our preschool students already do the music and the P.E. and all of that. So again, I just, my handout explains it a little more. That's why I did it that way. I'm not going to read it to you because you can all read. And I just...I still think there's some confusion between...I think NDE has grabbed on to the 79-201 as the starting date because I think NDE, the Nebraska Department of Education, wanted something in writing when is it mandatory that you start kindergarten if you don't repeat preschool. And I think Tammy can share with us about Head Start. You know, Head Start, that's kind of a Head Start rule, I believe, is if you are going to be five by October 15, then you can't repeat Head Start. But in case...if we change our ruling, you could take a year of Head Start if you qualified, and you could still take a year of preschool before you started kindergarten then. So any questions? [LB530]

SENATOR ADAMS: Thank you, Mike. Committee members, are there questions for Mike? Yes. Senator Howard. [LB530]

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SENATOR HOWARD: Thank you, Mr. Chairman. I'm just wondering, is your kindergarten program all-day? [LB530]

MICHAEL GILLMING: Yes, it is. [LB530]

SENATOR HOWARD: Okay. When did you start the all-day? [LB530]

MICHAEL GILLMING: Pardon me? [LB530]

SENATOR HOWARD: When did you go to all-day? [LB530]

MICHAEL GILLMING: Oh, we've been all-day for about six or seven years. [LB530]

SENATOR HOWARD: Oh, good. Well, thank you. [LB530]

MICHAEL GILLMING: Quite a while. [LB530]

SENATOR ADAMS: Are there other questions? Mike, I have one. Throughout the course of your testimony, and by the way, I appreciate and I value it because you're there in the field, seeing it every day. But there was a common thread that I'm curious about. You talked about the young man and his maturity; getting into early childhood obviously it is helping him with those kind of social skills. You also talked about the fact that at the early childhood level when they moved into kindergarten, if the early childhood program was effective, and typically they are; then there's a maturity level that's met by the time they get into kindergarten. [LB530]

MICHAEL GILLMING: Right. [LB530]

SENATOR ADAMS: I'm wondering and I don't doubt for a moment that that's true. What I'm wondering about is this: it seems like every time they ratchet it up a notch, there was improvement in those kind of social skills, then why wouldn't we want them to go on to kindergarten and ratchet up to that next level? [LB530]

MICHAEL GILLMING: Well, I will be honest with you. I think if we give this time to work its way through, I think eventually you will see...see, right now, we are so in our mind that you don't start kindergarten until you're five years old. That's what all the parents see. I think if you give this some time, you allow parents to make that choice, I think you're going to see younger and younger kids starting our kindergarten, because they're going to see our preschool is doing its job. But I think it kind of comes into effect a little bit that we're trying to force them right now or not giving them the choice when they start. You know, we say, well, if you take preschool when you're four and you turn five by October 15, you have to start kindergarten. You cannot take another year of preschool. I think if you loosen up the reins a little bit, I think maybe you'll see the

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program actually do better. I really do. That's just my own gut feeling, but. [LB530]

SENATOR ADAMS: That's all right. Thank you, Mike, appreciate it. Any other questions? Thank you. Is there other testimony? [LB530]

BRIAN HALE: Good afternoon, my name is Brian Hale, B-r-i-a-n H-a-l-e, from the Nebraska Association of School Boards. I would like to share with the committee...our delegate assembly discussed this issue in November. And we have a position that our organization, NASB, supports legislation that would allow schools to serve children with early childhood programs prior to the time in which the student must enroll in a K-12 program, according to the terms of the state's compulsory education law. And it really is a matter of allowing local decision making. It would be nice if all of the children who come to begin school were exactly the same. They're not. They're not widgets. They're individuals, and with individual strengths, weaknesses, and needs. And the school administrators and the school board members believe that giving the local school a chance to be of service to kids who, in some cases, don't have other choices when you live in a community that doesn't have a private preschool or families who can't afford that. It really is heartrending to the school officials involved to say, sorry we can't help you. And I have a little personal experience: I had two boys who were summer birthdays. We sent them both to school as soon as we could. One did just fine. One struggled throughout, never really did catch up, and because of another policy in terms of social promotion, we had a hard time getting him held back to a point where he might be able to realize some of the severity of his actions and the consequences of his actions, and still struggles today. He's 24 years old now. But that's the issue. Those two boys grew up in the same home, and they were different in how they handled those situations. And so giving the local authorities a chance to respond to the individual needs and challenges, we believe is a good idea, and as such, frankly, we support this discussion in both of the bills that have appeared before you today. And we'd be willing to figure out if there's some solution that would give more latitude to school districts to provide service to parents and children. [LB530]

SENATOR ADAMS: Thank you. Are there questions for the testifier? So what's the school board's position in terms of the fact that it's been described before that we have a finite amount of space, you let a child repeat; then we've got somebody out here that can't get in. Can you give me any background there what the school board association was thinking? [LB530]

BRIAN HALE: I believe that there's, and particularly LB530 allows some prerogative at the local level that they may enroll people based on hopefully a priority sheet that would say those with higher needs, those who are...have some acute necessity for this program would take priority. And we wouldn't be adverse to setting the terms to say that your child may attend preschool for one year, unless it's locally determined that that second year is fundamentally needed for their progress. But...so if they choose to enroll

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their child in school as early as possible, then they might be faced with the decision of going to kindergarten. But knowing that up front would be something that would allow everybody to make the best decision possible, and maybe they wait until they're four years old until they go to preschool, knowing that they have only one year to avail themselves of that. [LB530]

SENATOR ADAMS: So I'm struggling here for just a moment. If there's going to be some kind of priority order, and there has to be professional folks that are establishing that priority, but ultimately parents make the decision, what happens to that priority order? [LB530]

BRIAN HALE: Well, it does become a challenge. I think we realize a lot of this in special ed and other things where you have professionals around the table with the parent and ultimately, hopefully the professionals and the parent come to some decision. But at some point, the parent can dig in their heels and say nope, this is what I want, and that's kind of what happens. So there is a challenge there, and I think that's why more work probably needs to be...more discussion needs to be done on this issue to see if the Legislature's will would be to set a priority on those at risk kids getting first priority at the program. That's something I think everybody understands. [LB530]

SENATOR ADAMS: Thank you. Are there other questions? Seeing none, thank you. Next proponent? [LB530]

MANDY PLOG: (Exhibits 3, 4, 5) Hello, my name is Mandy Plog, P-I-o-g, and I'm from Hemingford Schools in the western section of the state. I feel LB530 is a very important bill for parents and for school districts. I am passing out three different things. One is the comments that I'll be reading from; one is a letter of a parent who was able to take advantage of the amendment last year to LB1153 that allowed her child to be in preschool when he would have otherwise not been able to; and the other letter is from our preschool teacher who currently teaches two sections of preschool. She has...this year, she has 25 students. We have a para, so we have approximately 10 in the...I think 11 in the morning class and then 14 in the afternoon class. And we had five students in our class this year that took advantage of the amendment for last year. The reasons that I feel that it is important: rigorous kindergarten expectations. Kindergarten has become a rigorous standards-based program. Even though they do not take the norm-referenced assessments in kindergarten, they are still taking criterion-referenced assessments. Students who attend kindergarten without previous preschool experience often have a more difficult time adjusting to the full days. We run a full-day kindergarten program and have for the last ten years, I think, is how long ours has been--the academic tasks, and the general just school routines and activities. In our school district also, there are no privately run preschools. We do not have a Head Start in our town. The only preschool in town is the school preschool. One reason that we were so fortunate for the amendment last year is we did have one private preschool in town, and

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she closed down two weeks before the beginning of the school year last year. So we were very anxious on what we would do for students and had many conversations about that. The parents who are not allowed to enroll their children in our preschool do not have any other options in town. Many parents feel that their individual child might not be mature enough, either socially or academically to begin kindergarten at a young age--five or even in some cases, with the October 15 being the deadline--in some cases, four-year-olds starting into kindergarten. And it is inappropriate to think that all children develop at the same rate and by the same age. I understand that at some point you have to put a strict deadline in place to say no matter what, students have to be in school by this time. Otherwise, there might be some parents that would keep them home indefinitely. However, students with a summer birthday turning five...some are ready and some are not. Kindergartens...our kindergarten teachers are excellent. We accept all children who are of age, but the variety of abilities and the maturity levels do vary greatly. Parents though should have the option to level the playing field by choosing to keep their child in preschool another year if they feel that it's in the best interest. I don't feel that that should be a school decision. I feel that should be a parent decision. They know their children best. Some students have a variety of life experiences before starting kindergarten; some students have fewer opportunities. Preschool allows those students to be exposed to the minimum level of shared experiences. It helps develop a common vocabulary, a common base of knowledge. Someone brought up earlier about the graduation age. If a student begins kindergarten at age four because they missed that cutoff date of October 15, and they attend school on the regular schedule, they won't graduate at age 17, they would actually graduate at age 16. And then if they have an October birth date, they could actually be attending college their freshman year at age 16 if they started four-year-old at kindergarten. And I don't think anybody feels that a 16-year-old, unless maybe they're a high-ability learner and on a separate track, I don't feel anybody is ready at 16 years old to attend the adult college world. In my instance, in our school district, I've tried to think of reasons for our school district that would be important to continue that requirement excluding those kindergarten-age students from attending school preschools, and I can't think of any reason. We will still accept students into our kindergarten if the parents choose that route. Students will still be required to attend school by mandatory attendance age. We will not gain any additional funding by having five-year-old students in our preschool. I cannot see any detriment to passing LB530. In our situation, the number of students in our town and in the surrounding towns that would attend our preschool, we would not limit. We don't have waiting lists, and we would not have to decide who would go and who would not. So in our case, I see no, no reasons not to pass this. [LB530]

SENATOR ADAMS: Okay, Mandy. Questions for Mandy? So Mandy, I hear you saying that you don't have the waiting list. So if a child, a parent decides to hold the child back, you don't have another child waiting that doesn't get in? [LB530]

MANDY PLOG: We have, because of the rule that says, with a full-time teacher and a

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para, you can accept 20 students into your preschool, which with our two sessions, our morning and our afternoon, we could allow up to 40 students into our preschool every year. And we don't have that many students in town that would be going to our kindergarten. Our highest kindergarten class in the last five years was 31. [LB530]

SENATOR ADAMS: So the uniqueness of your population, as well as your program... [LB530]

MANDY PLOG: Would not put limits on our situation. [LB530]

SENATOR ADAMS: Doesn't put limits, but trying to create state policy complicates things. [LB530]

MANDY PLOG: And I'm guessing that many, many schools, if they had a choice of putting into place another section of preschool to fit this population instead of having to force children--who parents are not feeling are ready--to attend kindergarten. They would feel that that would be a much better trade-off. I can't speak for every district, but I think if they were allowed to do that, I don't see why they would be against that. [LB530]

SENATOR ADAMS: Thank you, Mandy. Are there other questions? Thank you for coming all the way here. [LB530]

MANDY PLOG: Thank you. [LB530]

SENATOR ADAMS: Is there other testimony? [LB530]

HENRY EGGERT: (Exhibit 7) My name is Henry Eggert. I am superintendent at Thedford Public Schools. H-e-n-r-y, E-g-g-e-r-t. And I am here in support of...to show support for LB530. I am handing out a letter to educational committee members. I'm just going to read a portion of it because a lot of what's been said is in my letter. Our small rural west-central Nebraska town of Thedford has no other early childhood programs. Furthermore, neither do any of the other towns within a 30 mile radius. We have parents who do not wish to enroll their children, some only four years old, depending on their birth dates, in kindergarten. These parents were left with few choices before the passage of LB1153, and many other parents will face the same limited choices for next year. Since the LB1153 provision was in place for only one year, LB530 will continue to allow parents to enroll their children in our preschool even if they are of kindergarten entrance age. For me, it's what's best for kids and choices. I have heard through the discussion here that we were talking about or it was brought up in regards to limited space for kids in some school district the idea of moving them on because of that limited space. I wonder how many communities in the state of Nebraska face declining enrollment? So on the flip side, I know that Lincoln and Omaha may have an issue, but

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if we start taking a look at...because I read the World-Herald from time to time, and they talk about population shift, declining enrollment; what about that on the other side? The idea that we do have the space available for that. We simply don't have the choice. We also have some other unique factors where we're at: time and distance. We have....where I'm at...our school district, very small; we're in the smallest tier. We were able to bring back our preschool program. This is our second year of existence right now. It's going very well. We service about 15 children. I've had several parents come to me and ask if they can have that choice because, particularly with the boys--so I'm going to sound a little sexist right here--mature a little bit slower. And I have two children of my own who are in preschool so I have a personal bias with this right now, so if it's slanted and that works against me, then so be it. But anyway, I know my four-year-old needs another year of preschool. This is just dad talking right now. And most of the time, fathers don't have as much of an impact, in my opinion, as mothers. So I will not argue with my wife on that particular situation when she says Zach (phonetic) needs another year of preschool. So those are some of the things that further run through my mind when we're looking at these situations in the middle to the western part of the state. There are no day....there is no day care. There is no other preschool which we're competing against. We are the only game in town. All we ask for is to be able to let them have the choice to do that. And right now, I mean, we're happy for this one year. We have a lot of people that are extremely happy about that. And we're extremely proud of the fact that we have a preschool program at Thedford. That makes us more unique than some of the school districts around us. And there's also a great emphasis on preschool nationwide, state-level wide, as far as having...making sure the schools have preschools or are associated with them; that's what we're hearing. That's what we're...we know it's coming down the pike. We have a lot of parents in our community: single parents, both working parents; they get to work with their children on a limited basis. We hope they can work as much as they possibly can with them, but if they can't--and as one of my fellow colleagues was talking about the social skills of one of the boys as far as how he wasn't getting it--another year to get it; we will be the displaced parents. We will be the surrogate parents for those...for the parents at home. We don't have a problem dealing with it, particularly at that age. You know, the way we like to look at it is, you know, we're going to do 90 percent of the teaching and 10 percent of the parenting. You know, in a reverse role, that's what we would like to see for new...10 percent of the teaching and 90 percent of the parenting. Well, we're seeing that changing, you know, the demographics, everything is changing. We're very fortunate out in our rural area that we have, most of our parents are trying to do the best they can with the parenting. But we also recognize that, as a result of the economic times; one parent, both parents working. We see kids coming to school socially delayed. You know, it's not that mom and dad aren't trying. It's just...it's just the nature of the way life is right now. So what we're trying to do is to be that kind of displaced parent. To reinforce, but it may take another year of preschool, just from the social standpoint. Not even looking at it from the academic standpoint. And I know we have the Omaha and the Lincoln, we recognize that, you know, they have unique situations. We have unique

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situations out there. But we may have the ability now to be able to accommodate those children because of our declining enrollment. Sometimes there are some unique situations that occur. We hear a lot from the educational standpoint is to do more with less, and we'll continue to try and do that. And to remain unique in the same...all in the same breath, while we think we have a unique situation right here. And we can do more with less. We will make it happen with the staff that we have. I have an unusual combination right now. I'll bet you I'm the only one in the United States that has a female voc-ag, voc-tech, preschool teacher. So we know how to be creative under the auspices of Rule 10. So I mean, this has all been cleared so. That just shows you what we're willing to do, where we're willing to go with these particular situations. Thank you. [LB530]

SENATOR ADAMS: Thank you, Henry. Are there questions? Yes, Senator Howard. [LB530]

SENATOR HOWARD: Thank you, Mr. Chairman. Just a quick question. Is your kindergarten all-day? Your kindergarten program? [LB530]

HENRY EGGERT: All-day, four days a week. [LB530]

SENATOR HOWARD: Four days a week, okay. And then these...the children that are in kindergarten, the parents, if they're working, have another arrangement for that last day of the week for these children? [LB530]

HENRY EGGERT: Yeah, um-hum. [LB530]

SENATOR HOWARD: Okay. Thank you. [LB530]

SENATOR ADAMS: Senator Haar. [LB530]

SENATOR HAAR: Thank you. I'm a new person, and so I'm learning some of these things. Is this covered by TEEOSA in any way? The kids going a second time? [LB530]

HENRY EGGERT: I'm...I don't, I don't think that it is. I'd have to go check. In all honesty, I'd have to check. I would be speaking incorrectly if I tried to answer that. [LB530]

SENATOR HAAR: Maybe the Chairman can answer that? [LB530]

SENATOR ADAMS: We can talk about it in Exec. [LB530]

SENATOR HAAR: Okay, thank you. [LB530]

HENRY EGGERT: Again what we're, you know, at this point, it's not so much about the

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money for us. It's just to be able to give these kids this opportunity. What do you tell...here's the choice out there. Okay, and I heard this was brought up by the educational people. You know, our choice is you move them on to kindergarten or they sit home. And that's okay, so okay, and your point is, okay, kindergarten or they sit home. So what we're trying to set here is say that if we were to continue on with this, yeah, we have a choice for you. They can go one more year. Because I can't say, okay, this last year, you take it to the private daycare or drive down to North Platte, an hour and 15. You know, it just simply not there. So we're happy with what's in place. [LB530]

SENATOR HAAR: Do you know the history of why this age is so carefully bracketed in the law? [LB530]

HENRY EGGERT: No, I don't. I don't. I would have to defer, I'd need some help from others on that one there. [LB530]

SENATOR HAAR: Okay, thank you. [LB530]

SENATOR ADAMS: Are there other questions? Thank you, Henry. You came a long way, appreciate it. Is there other testimony? Proponents? Is there opposition testimony? Anyone in the neutral capacity? [LB530]

MELODY HOBSON: Hi, I'm Melody Hobson, M-e-l-o-d-y H-o-b-s-o-n. And I don't want to reiterate the things that have already been said, but the difference that I see as I read LB530 is that it does not preclude a child who is five years of age, who's already had the opportunity of preschool to get a third year, if necessary, you know, if they start at three, at the expense of maybe a preschool student. And so the concern that we would have at the department is that we would certainly urge the legislative committee here to look at that and ensure that children who are preschool age are served first, rather than having a third year or a second year for a five-year-old at the expense of another preschool age student. And the other thing is, you know, to clarify, we were talking a little bit about...some were just talking about Head Start. And you know, Head Start is based on essentially the age set forth by the state and Head Start legislation does identify a child who can be enrolled in Head Start until kindergarten or first grade and is freely available to the student. So the, I think that is the reason that, you know, Head Start does not, you know, allow children to be in...a child to be in preschool forever. [LB530]

SENATOR ADAMS: Thank you, Melody. Are there questions? Seeing none, thank you for your testimony today. Senator Sullivan? Or is there any more neutral testimony. Senator Sullivan, to close. [LB530]

SENATOR SULLIVAN: Just briefly to sum up...I think hopefully you have seen through the testimony that has been presented that LB530 does address some legitimate

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concerns of parents and educators. I would emphasize also that the decision to enroll these children is...would remain a local decision. So hopefully to take into account space and needs at the local level. And basically I think that this is, addresses a concern, and I hope you will give it strong consideration. Thank you. [LB530]

SENATOR ADAMS: Thank you, Senator Sullivan. That will conclude the hearing on LB530, and we'll move on to LB464. Senator Gay. Is Senator Gay or the senator's representative, LA? [LB464]

_____: Senator Adams? I just went by Senator Avery's office, and they haven't had any word yet from the hospital, so. [LB464]

SENATOR ADAMS: Thank you. We'll stand down a moment until we get Senator Gay. There he is. We've been waiting for a half hour, Senator Gay. (Laughter) You're up. [LB464]

SENATOR GAY: (Exhibits 8, 9) Good afternoon, Senator Adams and members of the Education Committee. For the record, my name is Tim Gay. I represent the 14th Legislative District, and I'm here today to introduce LB464. LB464 would require any child who enters the seventh grade to get a Tdap booster to protect from tetanus, diphtheria, and pertussis, commonly known as whooping cough. At a young age, children receive a series of Tdap shots to vaccinate against these diseases and currently must have this vaccination prior to entering school. However, the vaccine's effectiveness can weaken over time. The CDC now recommends a Tdap booster for adolescents and adults every ten years. According to the CDC, a number of pertussis cases or whooping cough has increased dramatically, particularly among adolescents and teens 10 to 19 years old. As of December 2008, there were 248 whooping cough cases last year in Nebraska. This highly contagious disease starts with the symptoms of a common cold, but after a couple of weeks a violent cough develops. Whooping cough can lead to pneumonia, seizures, brain damage and death. Currently, 13 other states require a Tdap booster and seven states are starting this process. The requirements under LB464 are the same as those for other vaccinations required by law. The costs are to be borne by the parent unless they're unable to pay and the vaccination may be waived for religious or medical reasons. With respect to the fiscal note, it is assuming a worst case scenario that 59 percent of the students entering the seventh grade will not receive a vaccination covered by either their parents' insurance or Medicaid. However, Health and Human Services has indicated that it also anticipates receiving federal funds to cover these immunizations. If for some unforeseeable reason, we do not receive the federal funds, we will be able to revisit the issue since this bill does not go into effect until 2010. Mr. Chairman, I do have some...two letters of support I'd give to your pages. One is from the Douglas County Health Department and another one is from Friends of Public Health in Nebraska...if you could hand those out. With that, Mr. Chairman, I'd be open to any questions. [LB464]

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SENATOR ADAMS: All right. Are there questions for Senator Gay? So this would be done at the seventh grade where they currently, don't they have to have a physical or something at the seventh grade anyway? And just to repeat, I think what's already in the fiscal note, most of this would be recovered by a grant through the federal government. If we're not successful on the grant though, we have a General Fund appropriation. [LB464]

SENATOR GAY: (Exhibit 10) Yeah, and did you receive the letter to the Department of Health and Human Services, did you get that? [LB464]

SENATOR ADAMS: I don't...here it is. No, that's something different. [LB464]

SENATOR GAY: That was dropped, if you haven't, I'll get some copies made. I think this would be probably helpful to you as well. This is...today. It arrived... [LB464]

SENATOR ADAMS: Okay, I think it's about to be handed out. [LB464]

SENATOR GAY: If not, we can get you a copy. But yes, that's the goal. [LB464]

SENATOR ADAMS: Okay. While we're waiting, are there other? Go ahead, Senator Gay, sorry to interrupt you. [LB464]

SENATOR GAY: Well, that's the goal the way I understand it as well. And you can look into that more, but the parents pay first, and if they don't, there's other means available to pick up the cost. [LB464]

SENATOR ADAMS: Okay. Are there questions for Senator Gay? Yes, Senator Haar. [LB464]

SENATOR HAAR: Thank you. This is just a curiosity question. Do...are students who are homeschooled required to fill these same criteria? [LB464]

SENATOR GAY: You know, Senator Haar, I don't know that. I don't know that. [LB464]

SENATOR HAAR: Because often they interact with, you know, taking certain classes and so on. I'm just curious. [LB464]

SENATOR GAY: You know, I don't know that, but I'd be interested to find out myself. Maybe someone after me does know that. This actually was referred to your committee because of the school and entering school, so I assume your counsel would probably have that, but I don't know. Thank you, it's a good question. [LB464]

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SENATOR ADAMS: Other questions for Senator Gay? Yes. [LB464]

SENATOR HOWARD: Thank you, Mr. Chairman. Right now, parents can sign an opt out for religious reasons on these vaccinations and physical exams if they want to. Would this still come under that? That would still be in effect. Not that I would choose to, I don't think that's a good idea at all, but I know that that does happen. [LB464]

SENATOR GAY: Yes. Yes, Senator Howard, yeah, you've been through those. You have been through those discussions before...but in this, yeah, you would have that option, and we've had to deal with those before. [LB464]

SENATOR HOWARD: Thank you. [LB464]

SENATOR ADAMS: Other questions? Yes, Senator Giese. [LB464]

SENATOR GIESE: Thank you, Senator Adams. Senator Gay, what was the number that you said, the cases last year involving this? [LB464]

SENATOR GAY: On whooping cough? [LB464]

SENATOR GIESE: Uh-huh. Two hundred and something is that? [LB464]

SENATOR GAY: 248 is what I was. [LB464]

SENATOR GIESE: And what percentage is that, I guess, of the... [LB464]

SENATOR GAY: Well, percent, I don't know. Let me, um, we had some information here that my staff got, but it was increasing fairly well. That's in the...I think the...290 cases in...this is in the Department of Health letter that if you don't have, I will get to you. Two hundred ninety cases in '08, but in '07 there were just 70 cases and 99 cases in '06. So it's starting to increase, and that's why we're bringing it to your attention at this point. [LB464]

SENATOR GIESE: Thank you. [LB464]

SENATOR ADAMS: Other questions for Senator Gay? Thank you, sir. [LB464]

SENATOR GAY: Thank you, Mr. Chairman. [LB464]

SENATOR ADAMS: Proponents? [LB464]

WALTER RADCLIFFE: Senator Adams, members of the committee, my name is Walter Radcliffe, R-a-d-c-l-i-f-f-e. I'm appearing before you today as a registered lobbyist on

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behalf of Sanofi/Pasteur which is a pharmaceutical company. What I would like to discuss with you are some general policy issues that relate to LB464. I have two witnesses who will follow me who will address the public health issues and any specific medical issues that the committee would be interested in. And I would anticipate that my testimony won't take very long. When I was first contacted to represent this company--I won't take long with this--but I was interested in a little bit about them. So I looked them up on the...well, I had somebody, I should say, look them up on their Web site. And they were originally a French company. They're traded now publicly in the United States, and they traced their roots back to Louis Pasteur in 1857 with his microorganism research. It was just...it was very interesting to me, and all they do is manufacture vaccines. They manufacture about one and a half, a little over one and a half billion doses a year. And they're administered to over a half a billion people a year. And obviously this is a vaccine that they manufacture. However, I want to add very quickly that they are not the only company that manufactures this vaccine. Glaxo and I mean, there's a number of large companies that do. So there is nothing...and this was one of the policy matters I wanted to measure. There is nothing in LB464 that is in any way proprietary. So any types of, any type of this vaccine can be used. The...most vaccines in Nebraska, or most vaccinations in Nebraska are required by law. The Department of Health does have the authority to promulgate rules and regs and to require certain types of vaccines, but as I looked at and discussed with the Department of Health, their rules and regs vis-a-vis the statutory requirements, I think there's only about two or three vaccinations that are "regulatorily" implemented and the others are all statutorily implemented along with the accompanying regulations. Measles, I think, is an example of one that is, that is implemented by regulations. So coming at this from a statutory standpoint is nothing that is new, and Senator Howard, as you mentioned, and also Senator Gay in his opening comments, there are general...there is a general application for opt out provisions for medical and religious. And Senator Haar, you asked a very good question on vaccination...on homeschooling. We're going to find out. The quickest...the one thing I could find out is that if someone who goes through homeschool is going to go on into postsecondary, then the vaccinations would obviously be a requirement. However, you raise a good point, and I will try to find...I'll try to find that answer out. Regarding the fiscal note, and I want to thank the Health Department, the fiscal office, and Policy Research, we did...I was going to say go round and round. We didn't go round and round, but we did have to check and see about the availability of federal funds. Now, no federal funds are guaranteed under any circumstance. But we know that there's an application process and that those funds are available. So that's why if you look there and if you read the accompanying notations, you'll see that the estimated \$535,000 would be available from federal funds. And as Senator Gay mentioned, if that wouldn't be, you can come back and revisit that next year. I want to point out that that dollar amount, that required dollar amount is really a worst case scenario. What they, that is computed by saying that at the present time, we have approximately 41 percent of people who private pay or through insurance. That leaves 59 percent that don't do it through private pay or insurance. But this would assume then that all of those, that that

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other 59 percent would go to public health clinics. Well, quite honestly, that doesn't happen. And what you have to do to get really an accurate number would be to go back and look at the other vaccinations and try to extrapolate that data. But very honestly, since it's federal dollars, the specificity wasn't as necessary because we weren't appropriating general fund dollars. So I think that that gives you a pretty good overview. One last thing, and Senator Adams, you mentioned this in a question to Senator Gay. In seventh grade also does require a physical. So this coincides with the physical. It does not necessitate another medical trip. I hope I have addressed, these were all questions that I had quite frankly when we started, when we started going through this and so I figured if I could think of them, I was sure somebody on the committee would. So that's why I wanted to address that, and now I'll try to answer any questions I couldn't think of, as long as you aren't going to ask me a medical one. [LB464]

SENATOR ADAMS: Committee, are there questions for Mr. Radcliffe? Yes, Senator Sullivan. [LB464]

SENATOR SULLIVAN: Are typically...it's been enough years since my own children received immunizations, but typically under a fairly decent insurance policy, are immunizations covered? [LB464]

WALTER RADCLIFFE: That is my understanding, Senator, yes. [LB464]

SENATOR SULLIVAN: Okay. [LB464]

SENATOR ADAMS: Other questions? Seeing none, thank you. [LB464]

WALTER RADCLIFFE: Thank you, Senator. [LB464]

SENATOR ADAMS: Other proponents? [LB464]

STACIE BLEICHER : (Exhibit 11) Good afternoon, Senator Adams and committee members. My name is Stacie Bleicher. It's B-I-e-i-c-h-e-r. I am a general pediatrician here in Lincoln, but I'm speaking on behalf of the Nebraska Chapter of the American Academy of Pediatrics in support of this bill. Our chapter includes over 300 general and subspecialty pediatricians, and it becomes increasingly apparent to all of us that pertussis or whooping cough is an illness that's occurring in significantly increasing frequency. It has been known for a long time that the vaccines given up to age five do not provide lifelong immunity against whooping cough. And what has been seen in recent years is increasing numbers of cases in adults and in teenagers; mostly in our young parenting age adults which puts young infants who have not been fully vaccinated at severe risk of pertussis. And that is a group of children that are most severely impacted. Young infants tend to get a severe pneumonia, the complications of death, needing to be in an intensive care unit and ventilated primarily affect these

infants because they have a much more severe illness than adults. Although most adults who have suffered this illness will tell you too that they really haven't enjoyed coughing for a month or more. So it's not pleasant for the adults either, but not as life threatening. And probably the last two to three years we've been administering the Tdap or a booster that has been designed for older children and young adults and adults to our seventh graders, but I would see it as very beneficial because of a lack of a central vaccine registry, we don't have good ways to track what kids are getting things. That when we can partner with our schools and the schools are also supervising the children's vaccine records, we tend to be more prone to pick up the percentage of kids that have slipped through without getting their vaccinations. So I see that as an important public health measure. You know, I would estimate in my practice where I have a high percentage of parents that follow the vaccines that I recommend to them, that we still may only be about 85 percent vaccinated. And our seventh graders, most of them, well, all of them by the end of high school get it if they're still in the practice and being seen at all. But having the schools to participate with us in identifying the kids that are at risk and missing the vaccines would be very important and being able to combine it with an already state-mandated examination simplifies it for many of the families. I'd be happy to answer any questions that you have for me. [LB464]

SENATOR ADAMS: Thank you, Doctor. Are there questions? Yes, Senator Haar. [LB464]

SENATOR HAAR: Thank you. Is this something we should ask doctors if I've had it, for example? I mean, or would most doctors... [LB464]

STACIE BLEICHER: You know, there actually, the big lay advertisement now is the hospitals showing young parents taking a new baby home, and the grandparents and the family members all having band-aids on their arms, having gotten the vaccine before the infant goes home. [LB464]

SENATOR HAAR: I haven't seen that one. [LB464]

STACIE BLEICHER: So and when it first came out, there was a question about, well, do you do this every 10 years, like a tetanus booster, because this does have the tetanus as a component, and initially I think there was some uncertainty about it. And I don't know if Dr. Ohri will be speaking, I think, after me, may be able to tell us whether the CDC has now said, yes, this is an every 10 year vaccine for all people. [LB464]

SENATOR HAAR: Thank you. [LB464]

SENATOR ADAMS: Are there other questions? Seeing none, thank you for your testimony. [LB464]

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STACIE BLEICHER: Thank you very much. [LB464]

SENATOR ADAMS: Are there other testifiers? Opponents? [LB464]

LINDA OHRI: (Exhibit 12) Good afternoon. I am Dr. Linda Ohri, and it's L-i-n-d-a, Ohri is O-h-r-i. I teach at Creighton University in the School of Pharmacy and Health Professions. And I teach in the area of public health and do research in that area. I am here today primarily speaking, however, as the chair of the legislative advocacy committee of the Immunization Task Force - Metro Omaha. We are a coalition that has been in existence for 17 years. We represent a fairly large number of health-related groups as well as individuals. And obviously our main focus is on promoting optimal immunization. I want to speak a bit about kind of the background of pertussis. I'll try not to repeat anything, and I will not read all of this. As it's been noted already, you all know how to read. So I want to really emphasize the point that pertussis really is considered now by the CDC to be an endemic disease in this country. I think, for many people, we thought that pertussis was something we whipped long ago. And for the...in one perspective, we did, because we don't see the thousands of deaths that we saw, and the hundreds of thousands of illnesses that we saw in the past. But over the last 20 years, we've discovered that pertussis really is constantly present in our population at one level or another. And primarily now where it's present is in adolescents and adults. And often what it's called is walking pneumonia. It's one form of walking pneumonia. Well, if any of you have ever had that, if you go to the doctor for walking pneumonia, typically they don't do any tests; they give you an antibiotic and send you home. And generally you don't get sick enough that you end up in the hospital, but you're sick, as Dr. Bleicher said, for a month. Actually I have a friend who is a teacher who got it in June and was still severely coughing in October. So it's a condition that can really affect adolescents and adults, although as she very rightly said, from a public health perspective, we really are most concerned about babies because they're the ones who die. And they're the ones who end up in the hospital, for the most part. According to CDC reports, there has been a dramatic increase in the number of reported cases of pertussis over the last years and that that's particularly true among teens in the 10-19 years of age. When they are starting to have enough waning of immunity from those last infant shots, that the last one is preschool, over that 10-year period, they've had enough waning that then we start to see cases again. And indeed pertussis is one disease that you can get multiple times, even after illness. And in fact, the vaccine actually gives better immunity than the illness does. It's a kind of atypical infectious disease from that perspective. But reported infections are really only the tip of the iceberg when it comes to pertussis. Well, in 2005, there was really a peak year of 25,000 reported cases. In states like Massachusetts where they do intensive monitoring, they have had 100-150 times the number of reported cases that they've had across the country. So that it's...if you look at CDC data, it's estimated that there could be as many as 600,000 cases of pertussis in the United States each year. Mostly because it's adolescents and adults, they're never tested, and it's not really identified except as a walking pneumonia that

made you as sick as a dog, but didn't put you in the hospital. An Omaha pediatrician...pediatric infectious disease doctor that I worked with really would concur with Dr. Bleicher in that she indicated to me in talking about this that they see cases in their practice every week of pertussis. Some...a fair number, in the hospital, of babies because as ID docs they see those infants in the hospital, but also in their ambulatory practices. I've also, on the second page of your handout, given you some information from Dr. Nancy Cornish who is the microbiologist at Children's Hospital and she reported that last year they had 43 positive tests out of 600 requests. So you see there are requests that don't become positive, but I would tell you that it's a difficult test to do, and depending on when you draw the test, many people not going in until they've been coughing for a couple of weeks. By that time, typically a test will be negative, even if you do have the disease. So she talks in her little summary there of all the many ways why this is really just the tip of the iceberg in terms of reported cases. I want to really emphasize that it is the exposed infants, especially those who have not had their first three doses who are at most risk for severe illnesses. And that's two reasons: they've got very small airways and secondly, it has really been found scientifically that until you have three doses of vaccine, you're not very fully protected against this disease, which is one big reason why we very much stress to parents they should not be delaying vaccination for these infants, because they're delaying them past the time when they are at the greatest risk for the illness although we all know that is something that's happening quite a bit these days. There are not a lot of infant deaths in the United States. That's a tribute to, I think, very good care, but we indeed...we did have an infant death in January this year at UNMC. It was a five-month-old...well, maybe a four-month-old who was not fully immunized; they couldn't be by that age, and became infected from other family members who had the illness and were not aware of it. The next point goes over some of the case instances, and I won't repeat that; that's already been discussed. But I kind of want to finish my testimony by talking about a couple of studies that I've been involved in over the last couple of years that I think also support the need for this legislation, particularly as I talk to an education committee. In 2007, I conducted a survey of school nurses across the state, and had nurses respond from about 152 schools that had school nurses. And of those school nurses, when asked if they were aware of vaccine-preventable infections that had occurred in their school or their community in the recent past, 13 of those schools or 8.5 percent of the nurses from those schools indicated that they were aware of a pertussis case or outbreak either in their school or in their community. So at a 10 percent rate that...it obviously is not a disease that's gone. The second study I did was actually this year with one of our pharmacy students at School of Pharmacy and Health Professions at Creighton for a very personal reason to our school. We had initiated a pertussis immunization mandate for the school year 2007-2008. Unfortunately, before that was fully implemented, we had an outbreak of pertussis in our school, which you may or may not have read about in the newspaper. It was not exactly how we wanted to get into the newspaper, I can tell you. The World-Herald reported five cases from that outbreak. But this year, we then did a survey of all of our students, faculty and staff about this outbreak and their experience

of it. And in that survey, we had 29 or 6 percent of the 500 people approximately who responded, who reported that they had a persistent cough lasting at least two weeks during that outbreak period. From CDC standards, that in a clinical basis, would be a presumptive diagnosis of pertussis, even if they were not fully tested. Six of those 29 actually received a physician diagnosis of pertussis or whooping cough. Another 9 out of them indicated that they really suspected that their case of pertussis was simply missed. In some cases, they may have gone to a physician who simply treated them and didn't test them. That's probably the most common thing that happens, or they were coming in fairly late for that testing. Now to really emphasize then what that means and I realize I'm talking about college-level people and not high-school-level people, but out of these respondents, 22 percent of them had weekly or daily contact with infants. Six percent had infants in their own household. And I was personally asked by a number of very concerned students who were parents about the risk for their children. Seventy-four percent of those surveys had face-to-face contact, within 3 feet, with patients on a weekly basis. And that certainly puts them then at risk for passing on those infections to the patients that they care for. When we look at adolescents, many adolescents have infant siblings or are babysitting for people who have infants. So I think just like health professions, adolescents are a big risk group; not only for getting it themselves, but for passing it on to someone else. So from a public health perspective again, our point particularly is about the infant exposure. But I think we also have to keep in mind the kids themselves. And to that, I'm going to refer you just to the last page of my handout. I'm not going to read this, but I would encourage you to read it. It's about a teenager's story of having pertussis. And it really demonstrates that this is a condition that has high morbidity and it really disrupts life for that student, socially. But for an education committee, it really disrupts them in terms of absenteeism from school and availability to learn. And in working with school nurses, I really learned a lot about how important the school health program is for getting kids available to learn. So that it really seems a very natural fit here to have a requirement, a mandate for this vaccination; not only to protect the general public health, but to protect the individual student as well. So in summary, I would like to just say in speaking for the Immunization Task Force that I believe that this legislation is important, both to protect the students being vaccinated and those they will come in contact with, either at the present time or in the future. And indeed, they will need to have this vaccination if they go into any kind of health professions. And it's much better if they can get it as an adolescent when they are often covered by insurance or have public clinic services available to them. Because after they reach 19, that would not be available to them. So I thank you for your attention, and I'd be glad to answer any questions. I don't know the absolute answer about homeschooled kids, but what my understanding about that would be is the same legal requirement applies to them. The question is...would be as to whether or not there's anybody who is really auditing that to determine whether or not the requirement is being met. [LB464]

SENATOR ADAMS: Are there questions? Yes, Senator Haar. [LB464]

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SENATOR HAAR: Thank you. Do you find more or less parents that are objecting to immunizations these days? [LB464]

LINDA OHRI: Well, let me say that those who are objecting are a very vocal minority. And unfortunately, as we always say, immunizations are a victim of their own success. Much of the problem these days is people really don't know what vaccine-preventable diseases can do. And with that nature and because there is a very vocal minority talking about the risks, and well, why do we need them, and isn't natural immunity better; I think for a lot of nervous young parents who maybe don't have the grandparents who can tell them or their parents are not old enough any more to tell them, that it's that worried group that we really have to deal with. We're not going to change the mind of the really committed antivaccine people. But what we're really concerned about are those people who are nervous and because they don't see the diseases, they decide they're going to take the risk, thinking it doesn't really matter. And I would tell you there are also, I could have brought you ten different reports about infant deaths in people who either hadn't been able to give it, but in several cases, people who chose not to give their...the pertussis vaccine or decided they would delay it, which is absolutely the worst thing to do with that vaccine. [LB464]

SENATOR HAAR: And then it says that the requirement could be waived for religious and medical reasons. What would be a medical reason for not. [LB464]

LINDA OHRI: A medical reason typically would be the severe allergic reaction because any drug you give injectably including vaccines always have the potential for an anaphylactic type of reaction. That would be the most common case. There are...any vaccine, any drug has potential side effects, and this one is no exception to that so if there was a history of a problem like that, then further doses would not be required within the school system. [LB464]

SENATOR HAAR: Okay, thank you. [LB464]

SENATOR ADAMS: Are there other questions? Yes, Senator Sullivan. [LB464]

SENATOR SULLIVAN: Thank you. Did I understand you correctly that it takes three shots to get fully immunized? [LB464]

LINDA OHRI: To have full initial protection, they'll usually consider three shots. Now, I would tell you that any vaccine is not a hundred percent effective, and pertussis is considered to be around 80-85 percent effective. So even with three doses, if you had an infant whose mother had pertussis and was coughing in their face while they were nursing them, they have potential to develop infection. But after three doses, the likelihood of them developing severe enough infection to really risk their life is much less

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likely. [LB464]

SENATOR SULLIVAN: And typically right now if a child follows the regular immunization patterns, they have two shots? [LB464]

LINDA OHRI: No, now...right now, what they would have is a dose at two months, a dose at four months, and a dose at six months. So by six months, they should have pretty full protection. And most deaths--virtually all deaths that have occurred in recent years--has been in children less than six months of age or children who were delayed for some reason and didn't have their doses. Then there is a booster dose at about 18 months of age and another booster dose prekindergarten. Now in Nebraska, there is actually no absolute requirement for pertussis vaccine. There is a requirement for TD...tetanus and diphtheria-containing vaccines. But they...it does not have to have pertussis in it. Now the vast majority of kids get tetanus, diphtheria and pertussis combined. [LB464]

SENATOR SULLIVAN: In kindergarten? [LB464]

LINDA OHRI: Right. But that's a whole other issue that we and the task force are concerned about because as we've had antivaccine movements, it is something we need to pay attention to. Are kids getting that pertussis component? Because at the current time, frankly, it's not real likely that people will get tetanus, and very unlikely that they'll get diphtheria. The risk of the three diseases really is the greatest with pertussis. [LB464]

SENATOR SULLIVAN: Okay, thank you. [LB464]

SENATOR ADAMS: Other questions? Thank you then. [LB464]

LINDA OHRI: Thank you very much. [LB464]

SENATOR ADAMS: Are there other proponents? What about opponents to the bill? Are there opponents? Neutral testimony? Senator Gay to close. [LB464]

SENATOR GAY: Thank you, Mr. Chairman. I did get an answer on the homeschool and apparently Health and Human Services Rule 13, homeschool children are not...they're exempt from these immunizations. The private and parochial schools do have to. So you can go ahead and go forward with this. With that, a very quick close. I brought this...this public health issue. I thought it was important for you to hear and decide with your wisdom what to do with it. We deal with other issues like this quite often, obviously, in the Health Committee, and this had to do with schoolchildren, and at that age, it is a booster shot on top of what the doctor was talking about. So for your consideration. Any questions or if I could get you any information afterward, I'd be more than happy to do

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that. [LB464]

SENATOR ADAMS: Thank you, Senator Gay. Are there any final questions for Senator Gay at this point? All right, thank you. [LB464]

SENATOR GAY: Thank you all for your time. [LB464]

SENATOR ADAMS: That will close the hearing on LB464, and we will move on to LB558 introduced by Senator Nantkes. And she's on her way. Senator Nantkes. [LB558]

SENATOR NANTKES: Good afternoon, Chairman Adams, members of the committee. I hope I didn't keep you waiting too long. [LB558]

SENATOR ADAM'S: Oh, 35 minutes...it hasn't been that bad. [LB558]

SENATOR NANTKES: Oh, gosh. [LB558]

SENATOR ADAMS: You're up. [LB558]

SENATOR NANTKES: (Exhibit 13) Okay. Good afternoon. My name is Senator Danielle Nantkes. It's N-a-n-t-k-e-s, representing north Lincoln's "Fighting 46" Legislative District, and I'm here today to introduce LB558. LB558 would require public school districts to use funds received from the temporary school fund for the enhancement of certified teacher salaries. Such enhancement would be in addition to any agreed-upon compensation between such teachers and the district in the contract of employment. I introduce this bill to begin a dialogue on creative ways to fund increases in teacher's salaries and compensation without an additional General Fund impact. Why the temporary school fund? Well, the money in the temporary school funds is annually allocated to school districts to use as they wish in an unrestricted manner. It is distributed based on the number of pupils per district, and last year, approximately \$30 million were distributed out to the various school districts under this fund. However, teacher salaries in Nebraska are not what they should be to remain competitive. In fact, over the past few years, we have seen Nebraska average teacher salaries drop in rank from 38th in the nation all the way down to 45th in the nation. This is a problem that is not going away, and we will continue to see teachers either leaving the profession or new teachers going to work in other states. It's a problem that needs a solution, and I'm hoping that LB558 provides at least an avenue to look at other creative solutions. I know you've looked at other bills this session thus far and will have on your agenda things to address teacher compensation. This is one piece of that puzzle. As we continue to look for ways to cut costs in these tough economic times, education is one area that we must make an investment in today to remain competitive and strong as a state. Attracting and retaining the best talent to teach our children is key to making Nebraska better. The use of the proceeds of the temporary school fund is just one option that could be used to

ensure that we retain our best and brightest teachers and find a way to fund those efforts. I think I have got a copy of the most recent annual report from the Board of Educational Lands and Funds that we're going to distribute to each of you so that you have some context in terms of your decision making in this regard. And I'd like to thank them for providing those, at our request, to each of you for your perusal. Finally, I am open to suggestions and amendments on how to make this work. I understand that there will be some proponents behind me that have specific amendments to present today, and I'm very supportive of their efforts. I urge your consideration of LB558 and would be happy to answer any questions. In closing, just two main points that I wanted to make in regards to this legislation, and I had a chance to visit with Senator Adams prior to introduction of this bill this session and various education interests as well. I think we're all at an understanding that we need to do something in terms of teacher compensation in this state. It's critical for Nebraska's future. And from an Appropriations Committee perspective, I was trying to find a bill...craft a bill that would only make the simple point that there's additional resources that exist in this state other than the Cash Reserve and the General Fund. I appreciate, philosophically, people may want us to utilize those traditional resources for philosophical reasons. But times are tight and tough, and the future is uncertain, particularly in an economic sense. The main point I want to make with this bill is to please look at other resources that we may have available to try and at least make a step in the right direction for retaining and recruiting talented teachers on the front lines of our educational policy and in our classrooms across this great state. That's the main impetus behind the bill rather than being married to any particular aspects of the formula or the dollar amounts contained therein. I'm happy to answer questions. [LB558]

SENATOR ADAMS: Questions for Senator Nantkes? Yes, Senator Haar. [LB558]

SENATOR HAAR: Yes, thank you. First of all, I applaud your effort to raise teacher's salaries. When I was campaigning about a year ago, I talked to a number of students who were seniors at the university in teacher education, and they told me very clearly they knew where the money was for helping to repay their loans and it wasn't in Nebraska and that worries me a great deal. What is the temporary school fund? [LB558]

SENATOR NANTKES: Well, that is a great question, Senator Haar, and hopefully you can get some specific information contained in these annual reports that I just sent around. But basically...I don't know how detailed to get in terms of some of the backgrounds in addition to this fund and this agency, but background...territorial times, essentially, the federal government granted Nebraska a certain amount of lands to be managed on behalf of the schools. That's set in Nebraska's Constitution, Article VII, Section 9, and it basically directs to the Board of Educational Lands and Funds the ability to manage that land and the profits therefrom, whether in sales or investments or otherwise, on behalf of education in the state, and they do so. That being said, there is a precedent that exists in utilizing these funds for education-related activities. We've

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seen in recent years, for example, a dedication of some of these funds into early childhood programs which I'm very supportive of. And so I think that when I was going through some appropriations work presession, it was just an idea that occurred to me in reading their annual report thinking, wow, we have a whole pool of resources here dedicated to Nebraska to improve our educational system. There's a precedent that exists in recent history in redirecting or directing a certain portion of these funds to different educational programs. Maybe if we got something out there to continue the dialogue and give you options as Education Committee members to look at beyond the General Fund and the Cash Reserve, it was just something that I thought was worth dialogue...worth additional dialogue. So I know that was a long-winded response to a fairly simple question, but I thought that historical context is important as well. [LB558]

SENATOR ADAMS: Other questions for Senator Nantkes? Senator Giese. [LB558]

SENATOR GIESE: Thank you, Senator Adams. Senator Nantkes, do you have any suggested course that we might take to distribute these funds for the teachers? [LB558]

SENATOR NANTKES: Well, I think the legislation as drafted was according to the existing formula which it's my understanding is not a...is set forth on a per pupil basis as part of TEEOSA. And so my legislation as drafted would not change the amounts that would be sent to individual school districts under the existing formula, but rather would ask to earmark or dedicate the funds that go out from this funding source on that same basis to be utilized for teacher compensation purposes. It's really more of an earmarking rather than a change in the existing formula. [LB558]

SENATOR ADAMS: Senator Cornett. [LB558]

SENATOR CORNETT: Aren't these funds currently used to help fund unequalized school districts? [LB558]

SENATOR NANTKES: Yes. [LB558]

SENATOR CORNETT: Would you be proposing that less money went to the unequalized school districts or would you earmark that money that goes to...because I know the argument is going to be, you're taking from us. We need that money. But the majority of the money that they get from that, they use for teacher salaries currently. [LB558]

SENATOR NANTKES: Well, I think that that is actually a great question, Senator Cornett, because I don't think that we can necessarily agree with that premise. When we continue to see additional funds go out in terms of what's sent to individual districts under TEEOSA including what's sent from this fund on a per pupil basis, those funds increase each year, but teachers' salaries continue to slide. [LB558]

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SENATOR CORNETT: Or are not increasing. [LB558]

SENATOR NANTKES: Right. So I think that's another discussion point that hopefully this legislation can provide more dialogue on. [LB558]

SENATOR CORNETT: I was going to say currently though, when we give school districts the money, and they decide how to use that money, correct? [LB558]

SENATOR NANTKES: That's right. [LB558]

SENATOR CORNETT: So under this bill, would we be saying that they would have to use this money then for teacher's salaries? [LB558]

SENATOR NANTKES: That's right. It would remove some of the flexibility that the local school districts have in utilizing state resources that are sent to them because it would direct or earmark these specific funds as part of the other TEEOSA funds that go out to be specifically utilized for teacher compensation, whether it's salary, benefits, etcetera. [LB558]

SENATOR CORNETT: Thank you. [LB558]

SENATOR NANTKES: You're welcome. [LB558]

SENATOR ADAMS: Other questions? So in effect then, what you would say is that the funds that are currently going to all school districts, apportionment dollars, not just equalized or nonequalized would have to be directed towards salaries. [LB558]

SENATOR NANTKES: I think as drafted that would probably be a result if this legislation were to be adopted, and like I mentioned in the opening, Senator Adams, I don't pretend--well, maybe I didn't mention it and I need to reiterate it--I don't pretend to be an expert in terms of school finance. I'll leave that to your purview. But the point that I wanted to make is I know how much attention that each of you have probably received in feedback from educators in your district and across this great state, and they're crying out for some assistance in terms of meeting the challenges that we ask them to meet on a daily basis. And this was just one idea that occurred to me that I thought maybe deserved some attention or hopefully would spark some interest in looking at other pots of money or other pools of resources that we may have available to at least start to address some of their concerns. [LB558]

SENATOR ADAMS: Are there other questions? Yes, Senator Sullivan. [LB558]

SENATOR SULLIVAN: Do you know, Senator Nantkes, over time, what percent

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increase has been realized in that temporary fund each year? [LB558]

SENATOR NANTKES: I don't off the top of my head, Senator Sullivan, but I imagine we could probably... [LB558]

SENATOR SULLIVAN: But there is an increase every year? [LB558]

SENATOR NANTKES: We could probably get that information. It may be contained specifically in the annual report here which I really do commend this report to the committee. I hope that you have a chance to review it. I think it contains a plethora of helpful information. I don't know it off the top of my head. I'd be happy to follow up with you though. [LB558]

SENATOR SULLIVAN: Okay. [LB558]

SENATOR ADAMS: Any further questions, Senator Sullivan? [LB558]

SENATOR SULLIVAN: No. [LB558]

SENATOR ADAMS: Committee? Thank you. [LB558]

SENATOR NANTKES: Thank you. [LB558]

SENATOR ADAMS: Proponents? [LB558]

JESS WOLF: (Exhibit 14) Senator Adams and members of the committee. Thank you for allowing me to speak to you today. I am Jess Wolf, J-e-s-s W-o-l-f. I'm the president of the Nebraska State Education Association, and I'm here to speak in support of this bill and actually, the next two that you also have on your agenda today. I'm sort of a last-minute fill-in. I was out-of-town this morning and wasn't expected to get back, and as it turned out, I did make it back into town and so I'm filling in for one of the staff people who was going to start this all off. And I wanted to be here primarily because this is really an important issue to us, and as Senator Nantkes has pointed out, our salaries in the state of Nebraska have continued to fall behind our contiguous states and across the country. We believe the bills that you're going to be dealing with the rest of the afternoon here will go a great...to a great length to recruiting and retaining some of the best and brightest people to become teachers in the state of Nebraska. I do have some staff people, I actually have three people here who are going to speak to these bills this afternoon in a little bit more detail than I am prepared to do for you. Larry Scherer and Jay Sears from our staff are here to speak specifically about some of the details of legislation, and then Jenni Absalon who is a special education teacher is here to speak about the front-line effects of a couple of these bills, and give you her perspective of how they would help out. I do have a packet of information for you that I'd like to have

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distributed. That's really all the remarks that I have, Senator. I will try to answer questions if you have it, but I'd prefer to let those other people speak to the specifics. [LB558]

SENATOR ADAMS: All right, thank you, Jess. Are there questions for Mr. Wolf? Seeing none, thank you. [LB558]

JESS WOLF: Okay, thank you. [LB558]

SENATOR ADAMS: Next proponent. [LB558]

LARRY SCHERER: (Exhibits 15, 16) Good afternoon, Senator Adams, members of the Education Committee. My name is Larry Scherer, L-a-r-r-y S-c-h-e-r-e-r, and I'm the director of bargaining and research for the Nebraska State Education Association and here today to support LB558 and its intent to use some of the income from the school lands and funds to increase teachers' salaries. And talk specifically about some of the history in what we've done, how this is a change and some of the questions that have come up already of this money that's already been there, how is this an increase is what I hear you saying. So I will try to address those questions. And if you have any questions about the materials that have been handed out, I'd be glad to respond to those as well. The bill, as Senator Nantkes well explained, would use about \$30 million that goes out and most recently that's the amount that's gone out. It varies over time with the income produced. Both by the income, the rental on the school lands and the investments from the school funds which come from the lands that have been sold off over the years. And there is a representative here from the Board of Educational Lands and Funds who could probably tell you specifically the balance between those two and their role vis-a-vis the state investment officer who manages the investments. One of the main points I think is that over time, the percentage of the schools' spending, if you look at their annual finance reports, has dropped over the last 10 years from about 45 percent to 40 percent for teachers' salaries, and the question is why. There's a lot of reasons probably. There's a lot of new programs. There's a lot of new programs that assist students in poverty, students with language deficiencies, and they're all good and needed programs, and I'm sure the NSEA has supported those over the years. With all those good programs out there focusing money in many different directions though, the point is that there hasn't been enough attention on the core function of education which is teachers and teaching in the classroom and compensating those individuals in a way that represents the importance of what they do. The Enabling Act of Congress in 1864...actually I did a little history on this, and I was surprised to see that this went back to 1785 in the original constitutional convention. And the idea was essentially an economic development idea is that we have a lot of land, and we don't have a lot of people and a lot of businesses, and we need to develop the land, and one way to do it is to create states and give them land to develop. So as a condition to coming into the U.S., each state had to pledge to use the sections of land that were deeded to them for

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the common schools. This has been going on for 150 years, and essentially as far as I can tell, the money has always gone out as it does now, through a formula that's historically been known as a state apportionment. And it's...there are other parts of the apportionment that at the local level involve fines and penalties and that type of thing. The apportionment I'm talking about here is the income from the lands and from the trust funds that are available. The question about what is the temporary school fund is essentially a holding fund for the income from both of those portions. And it's paid out every year by the Commissioner of Education. The first thing the commissioner does is to take a share of that money to pay in lieu of taxes essentially to the locales where these lands are located because they are not taxable as state lands. They are not taxable. So a certain amount goes into that and then the rest goes out to each school based on the enumeration of students between the ages...I think...of 5 and 18. So it's essentially school-aged children. It's a trust. It's a trust and this money cannot be diverted to other uses. It has to be used for the common schools. The early childhood exception to that or addition to that came a few years ago when there was a need to find some money to match a private grant and a certain percentage was carved out of the income then that was used to create an endowment. And so the constitution was amended to allow that and the statutes allow that. My understanding right now is none of the money that's income each year goes to early childhood education. Now that is essentially funded through the state aid program. LB558 would maintain the trust nature of this fund and focus the use of money on teachers, teachers' salaries. And if you try to get into the minds of the framers of the constitution back in Nebraska in 1875, at that point in time, teachers and maybe a head teacher, sometimes an administrator, but it was mostly teachers that ran the schools and so it was very easy to see that as they were thinking about it, that's where the money was going. Over the years, things have got a lot more complicated, and there are a lot more programs. So I think one of the messages here is let's look at focusing our money on the essentials of public schools. I think it's been mentioned already that the funding goes out now unrestricted. About \$30 million each year and this would restrict the dollars. It does limit the flexibility school districts would have, and they will be faced with the situation of where do we find the dollars. If we had this aid before that we could use for anything, some of which it probably went to teacher's salaries, probably about 40 percent if the state statistics are representative, how are they going to fill that if they use all of the money for enhancing teacher salaries. And there are a lot of possibilities there. The first one is increases in state aid which come this year. I know they're not as much as we expected and would like to see, and there will be probably be some reductions coming up, but there will still be some increases. So for those schools that are giving those increases, that is one source. Reallocation of funding, that's never easy and is never popular, but we're talking about on a billion dollars of school spending, we're talking about \$30 million or about 3 percent. So the potential for reallocation...the difficulty of that is not maybe as great as it might seem. There is a variation in the cash reserves. Almost every school district that is below a certain size has a larger cash reserve than the state. Large school districts don't need as much although many of them do have fairly healthy cash reserves. So

that's another possibility short-term to replace those dollars. In the long-term, we would be willing to work with this committee on some ways to incorporate this change into the state aid formula. Should it, if you went to equalize these dollars, then we would have to work it in the needs side of the formula and the resources side of the formula. And that can happen over a period of years as a number of other new programs have happened over a period of years. There aren't any free lunches. This is not money that is suddenly growing on a tree. And you know, if there is money that's growing on a tree in Washington right now, it may help. There may be some flexibility school districts might have as a result of those dollars coming for education that they wouldn't have had before. The immediate impact of this would be to move Nebraska from 45th in the nation to 42nd. It's about a \$1,500 increase. So we ask for your support in dealing with this issue. I have some amendments here that would direct the funding specifically through a formula that would go to each school. Each school would get their state apportionment dollars, and they would pay them to teachers based basically pro rata on the teacher's percentage of employment and an equal amount for each teacher. So one of the concerns is new teachers versus existing teachers. A flat amount will help a lower-paid teacher more than it will help a higher-paid teacher. So in that respect, this is a boost. It's something that can be used to recruit new teachers across the state where we need to recruit them, especially in some of the low-salary areas. There's a map, by the way, in your folder that pinpoints some areas along the borders that we see as places where we're not really competing that well for teachers. The amendment also would say that the funds would be paid out in a 13th check in December to teachers, and it would be kept separate from other funding. I think it maintains sort of the original concept of the act which is to keep these dollars separate and distinct and focus them on that purpose. That, I think, is essentially the amendment, and if there are questions, I'd be pleased to try to answer them. Or find the answer from somebody who's a lot smarter than I am. [LB558]

SENATOR ADAMS: Thank you, Larry. Are there questions for Larry? Senator Sullivan? [LB558]

SENATOR SULLIVAN: Thank you, Larry. Do I understand you correctly that there is approximately \$30 million a year that is distributed from this fund to school districts? [LB558]

LARRY SCHERER: Right. That number is a number that came out of the last annual financial report...the receipts that the school districts; there may be slightly more than that because there would be one year after that. So it's around \$30 million, a little bit over. [LB558]

SENATOR SULLIVAN: And that has been the amount for several years or does it change every year? [LB558]

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LARRY SCHERER: It fluctuates with the income that's generated. The stock market part of it probably isn't doing as well, but until so far the ag and the rentals have been doing pretty well. Those will be impacted by the downturn in the economy as well. So it isn't a guarantee, it isn't a locked-in amount of dollars. It will vary with the economic conditions. [LB558]

SENATOR SULLIVAN: And then some of these lands in any given year are actually sold rather than rented out, right? [LB558]

LARRY SCHERER: Right. [LB558]

SENATOR SULLIVAN: And then where does the sale money go? Into this temporary fund or the permanent fund? [LB558]

LARRY SCHERER: It goes into the permanent funds that are held by the state of Nebraska, invested by the state investment officer in various securities and investments. So it's the permanent school fund. [LB558]

SENATOR SULLIVAN: In any given year, is there a certain portion of the lands that are sold? Because I know there's been some push maybe over time to maybe sell more of this land? [LB558]

LARRY SCHERER: I think there's a general rule that if makes economic sense to sell... [LB558]

SENATOR SULLIVAN: Versus renting? Okay. [LB558]

LARRY SCHERER: ...and that they're sold and there's always push and pull between the people that want to keep the land. Actually, I mean, if you look at the stock market compared to the having the land, a lot of us would rather, would wish we had held onto the land. [LB558]

SENATOR SULLIVAN: Hold onto it. (Laughter) [LB558]

LARRY SCHERER: But no there is a general statute that says it's our goal to sell the land off as it becomes prudent to do so. And again, Mr. Endacott could answer that question better than I can. [LB558]

SENATOR SULLIVAN: Okay, thank you. [LB558]

SENATOR ADAMS: Other questions for Larry? Yes, Senator Giese. [LB558]

SENATOR GIESE: Thank you. Are any of these funds currently used for any salary type

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expenditures now in this fund? Are any of the school districts using that for any salary funds? [LB558]

LARRY SCHERER: I don't know whether any school districts specifically, you know, sets that money apart. I think it goes into the school's general fund and from that general fund, they pay all the bills: the heating, the lighting, and the teachers' salaries and the administrators' salaries. So yeah, the answer is yes. Some of those monies are already going to teacher's salaries. We don't know exactly what share it would be. If you use the guide that about 40 percent of school spending goes for teacher salaries now, then I would say generally it would be around 40 percent. But that's just a statewide average. [LB558]

SENATOR GIESE: Thank you. [LB558]

LARRY SCHERER: You're welcome. [LB558]

SENATOR ADAMS: Other questions for Larry? So Larry, without having read your amendment yet, presently the way that this money is distributed...this apportionment money...it is not distributed on an equalized basis? [LB558]

LARRY SCHERER: No. [LB558]

SENATOR ADAMS: Every student gets X number of dollars regardless how wealthy or how poor a school district may be. [LB558]

LARRY SCHERER: That is true. That is true, excuse me, can I get a glass of water? But this...the amount of dollars each school district receives is an accountable receipt, it's a resource that's held against the school district in the state aid calculation. [LB558]

SENATOR ADAMS: So without some way of distributing it on a more equalized basis, we're going to turn around and distribute it for teachers' salaries unless it's distributed on a more equalized basis than what it currently is, then we could have some salary schedules that are very nonequalized as well. [LB558]

LARRY SCHERER: I'm not quite understanding how, why that would be so. [LB558]

SENATOR ADAMS: Well, what I'm saying is that if we're going to hand this money out, and every student, in effect, is the generator of X number of dollars within a school district; that's on a nonequalized basis... [LB558]

LARRY SCHERER: Right. Right. [LB558]

SENATOR ADAMS: So school districts then who don't necessarily need the money as

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much as some other school district finds this as a bonus. So unless this money is distributed on an equalized basis, which potentially is what your amendment is trying to do, then we're going to get salary schedules that may be more disproportionate as well? [LB558]

LARRY SCHERER: Yeah, that, one of the things that's not in the amendment that originally was, was a proposal to distribute the money based on the number of teachers that each school district had. The thinking being that if the money is going to be used that way, tying it to the number of teachers would make sense. I'm just a little hesitant to mess with this history of apportionment based on student enrollment. But I'm also very much sensitive to the fact that in the best situation, the dollars would be equalized and that schools that had a greater need for them and the teachers in those schools needed the funding. That's not....there's not always a direct correlation between the need of a district measured in terms of the state aid and their teacher salaries. So it would be interesting to do an analysis. [LB558]

SENATOR ADAMS: Thank you. Other questions for Larry? Thank you then. [LB558]

LARRY SCHERER: Thank you very much. [LB558]

SENATOR ADAMS: Are there other proponents? [LB558]

JENNI ABSALON: (Exhibit 17) Hi. Chairman Adams and members of the Education Committee, I am Jenni Absalon. That's J-e-n-n-i A-b-s-a-l-o-n. I'm here in support of both the bills that Senator Adams and Senator Nantkes already talked about. I've taught special education for the past 23 years. Currently, I teach elementary special ed for LPS, and I'm a member of NSEA. And I'll talk a little bit about just some of the things that I see and appreciating any kind of compensation that would help teachers do their jobs better and to help alleviate some of the pressures that go with the salaries that we're getting right now. I'll talk first about some college tuition reimbursement. This morning I told one of my staff members that I was coming here. And she is a speech language pathologist married to a teacher, and they've both been teaching for about eight years. She said, please tell them not to just look at college tuition reimbursement for new teachers or college students because we're still paying for our loans. And they both have master's degrees, and they're paying their undergraduate and their graduate degrees. So it's causing a financial burden on them to be paying those student loans as well. They both got their master's, people take graduate hours to improve their teaching ability. And teachers want additional endorsements. We want to take the best classes. We want to be able to do that, but getting a master's degree right now costs upwards of about \$15,000. And it moves you on the salary schedule, but it takes awhile to do that. So we appreciate any kind of compensation that could help with that. NSEA provided you with some information in the packet that talks about where we stand and how we've fallen \$9,100 below the national average....Nebraska's teacher average right now. The

salary gap becomes more pronounced with a master's degree. Teachers with a bachelor's degree in Nebraska earn \$6,000 average less than other Nebraskans that have a bachelor's degree. As a teacher and a mother and a wife, I work hard every day to make decisions that are best for my family and my students. I am also somebody who has always worked a second job; sometimes a third job. I am cognizant of the troubles in the national economy. I see it every day with students and family and our staff. We have started a catastrophic fund for teachers in our local association. We're getting more and more requests from teachers for assistance because they are struggling with normal and unexpected expenses. We're constantly reminded these days of the loss of money in our investments. However, making an investment into education is a sure thing. Providing our youth with quality education not only prepares this nation for a prosperous future, but the dollars we spend on our schools help our local economies. Education is a key economic driver that is felt everywhere. Education is truly the best investment we can make now and for the future. The fact is that students don't stop coming to our classrooms just because the stock market is down. In fact, they come to us with more needs and with less support from other places. They are in our classrooms every day and we, the state of Nebraska, must do all we can to give those kids the best education possible. And that means putting the best teacher possible in every classroom. These bills help us accomplish that goal without busting the budget. And I urge you to advance both of these bills to the full Legislature. I appreciate your time. And I can answer any questions you might have. [LB558]

SENATOR ADAMS: All right. Thank you, Jenni. Are there questions? I guess not. Thank you for your time today. [LB558]

JENNI ABSALON: You're welcome. [LB558]

SENATOR ADAMS: Are there other proponents? Are there those who wish to testify in opposition? Neutral testimony? [LB558]

JIM SCHEER: Good afternoon. My name is Jim Scheer, S-c-h-e-e-r, and I didn't honestly come to testify this afternoon before you folks, so Chairman Adams and the rest of the committee, I appreciate the opportunity to speak to you in regard to the teachers' salaries position. I want to clarify, first of all, that I'm here speaking as an individual. I'm not representing any group or organization. I have had some experience serving on local school boards over the last quarter century, and so I am somewhat familiar with how teachers' salaries are negotiated and so forth. And I'm not trying to be critical of what teachers are asking for or what teachers deserve. But I do have a point that I think we...if we're going to...and I appreciate Senator Nantkes bringing up, and I see she's left for a few moments, but bringing the discussion to the forefront as far as teacher's pay. But I think we also have to acknowledge that if we're honest about teaching, that we lose so many young teachers, the best and the brightest and attracting those to the education system for teaching because of the lack of sufficient

salaries at the front-end. And we may be shy on the back-end, but it certainly is the front-end that causes most of the problem that I have experienced in talking to teachers that have left the system that I've been familiar with or have left other systems. So I think as we look at solutions, we have to look at some way to take a salary schedule and get a large hunk of the initial dollars in that first three to five to six years of a teacher's career because if not...if there is a carrot which some may say there isn't, at whatever end they are in the spectrum, it's too far away. And young teachers have to be able to feel that they're going to make a livelihood at some point in time in their life and they can't put that off for 15 years for the schedule to keep up or to catch up with their life, the children and so forth. So I guess I would ask that the committee look at something, if you're going to be tinkering with something, then look at something that would provide more dollars quickly to new teachers to attract those young and bright students in education so that when they go in the classroom that we are keeping them. And I guess everybody is...you know, you can come up with statistics, everybody can do that, and I don't, I can't tell you what percentage we lose in the first five years, but I know it's an astounding number. And some of that is because it's not what people think it's going to be I'm sure. But I think a large number would be because of finances. And so I guess I would just ask you to look at that as well as you look at, you know, teaching compensation has long been a problem in the state of Nebraska, and I'm not being critical of any of the staff or associations that are asking for additional compensation for what they do. They spend a lot of time doing what they do, and Lord knows, I wouldn't have the patience to do that. But if, as we look at it, I don't know that part of what we're looking at now in relationship to using the land dollars that are already funneled to education to augment the teachers' salaries, I'm not exactly sure how well that can work to the extent that, like it or not, districts are dependent upon those dollars. And I'm certainly supportive of trying to get some additional dollars, but I don't...I don't know that we can rob Peter to pay Paul, and still come out ahead. Because if we utilize the funds the districts are already using and as Larry said, you know, he can't...he doesn't know if 40 percent of those land dollars go into salaries or not, but I can tell you from a district's standpoint, more times than not, those dollars go into the general fund. And when you write a payroll check, it's coming out of the general fund. It doesn't come out from a specified payroll account. The funds are in a general account, and they're transferred and issued that way. So you know, I appreciate the ingenuity and the fresh approach to trying to find a...solve a problem of financing higher educational dollars for your staff, but I guess it'd be nice if somebody could wave the wand and come up with the new source of funds that no one has thought of, and no one is using. But I guess I'd just be very careful on how we address dollars that aren't in current use, and it's well intended and I'm not trying to be critical of that. I'm supportive of more dollars, I'm just trying to figure out where those can come from and with that, I'll answer questions. [LB558]

SENATOR ADAMS: Thank you, Jim. Are there questions? Seeing none, thank you for your testimony. [LB558]

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JIM SCHEER: Thank you, Senator. [LB558]

RICHARD ENDACOTT: I'm Richard Endacott, E-n-d-a-c-o-t-t. I really hadn't planned to testify here today, but I noticed there were some questions so I might be able to answer a few of those questions, and give you a little bit of information. The Board of Education is neutral on this bill. We are, of course, our mission is education and we're doing everything we can to maximize the income of the fund. Just to give you a little background, there are two funds. There is the temporary fund which is income which is generated by the land. And it includes rents and bonuses and that sort of thing. The other fund is the permanent fund, and that is the proceeds from the sale of land so I don't think the bill is really talking about that permanent fund. That generates, from time to time, I would estimate maybe \$25 million a year. It's probably going to be down this year because it's made up strictly of stocks and bonds, and so the market is down, dividends are being cut. The temporary fund which is, as I say, the rents from the land is worth \$677 million as opposed to \$452 million for the stocks and bonds. And I would estimate that that will generate probably \$35 million this year. That fund of land has generated in the last three years an average of 12 to 16 percent return. And as we know, stocks and bonds are not coming anywhere close to that. The other thing to remember is that generally stocks, when stocks are up, land is down. When land is up, stocks are down. So it provides a good cushion for those types of situations. But really just talking about the temporary fund here, and once we receive those rents and process them and turn them over to the school districts, it's up to someone else to determine how that's going to be used; whether it's going to be salaries or whether it's going to be for other expenses. So we don't feel that that's our function, to have a position on that point. But if you have questions as far as the function of the Board of Educational Lands and Funds, I'd be happy to answer that. I would add that my purpose is to maximize income. I've talked to Senator Adams about some of the new ideas we have for maximizing income for schools, such as carbon sequestration, wind power, leases and solar leases. So we're doing everything we can to generate income for the children of the state. Education is our mission. [LB558]

SENATOR ADAMS: Are there questions? Okay, Senator Sullivan. [LB558]

SENATOR SULLIVAN: How do you determine the rental value on the land that's rented out? [LB558]

RICHARD ENDACOTT: We have 10 field representatives across the state, half of which are certified general appraisers, and they come into the office twice a year and look at comparables all around the state and determine what is a fair rental for that land, and then set those values. It's a balancing act, as you know, to make it fair, but to maximize the income, and it must be fair because last year we didn't have any of the bids on any of our lease auctions that didn't generate at least the maximum appraised value that our appraisers had given it. [LB558]

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SENATOR SULLIVAN: And how long is a lease? [LB558]

RICHARD ENDACOTT: Five to twelve years depending...it can be from five to twelve years statutorily. [LB558]

SENATOR ADAMS: Are there other questions? Yes, Senator Haar. [LB558]

SENATOR HAAR: Thank you. Well, it's an interesting idea, and I was going to ask you about that anyway, but this whole thing of now some pasture lands are being paid for carbon sequestration and things like wind potential. I mean, I guess it would be possible to designate those kinds of additional funds that aren't there right now to education or to teacher's salaries. [LB558]

RICHARD ENDACOTT: It could be. Yes. As I say, that's possible and once we generate the income, what all of you do or the school districts do with the money is out of our hands and you're better qualified to make those decisions than we are. But we are doing everything we can. In fact, we have a bill before this committee to allow us to sell carbon sequestration rights and increase the length of time for wind power leases. Most wind power leases want to go 25 years, and our statutory limitation is 12. So we have a statute...a bill before this committee to try to lengthen that period. And there's a tremendous potential for those types of income, so we feel very confident in the future that we can maximize income. Of course, if you sell that land, you're not going to get carbon sequestration, you're not going to get wind power, and you're not going to get solar power. [LB558]

SENATOR HAAR: So are you forced to sell the land or not? [LB558]

RICHARD ENDACOTT: Are we forced to? [LB558]

SENATOR HAAR: Yeah, yeah. [LB558]

RICHARD ENDACOTT: We have a fiduciary duty to manage the land properly and either retain it or sell it. We have now over \$100 million worth of land on what's called the priority sale list, which is a list of land which is available. You can get on our Web site and see what parcels are available. So the statute specifically says that the board is governed by a fiduciary duty. And so they have determined that that duty is to try to reduce the land, to get it in a little better balance with the stocks and bonds which were in the permanent fund, and we're working in that direction, but we're not interested in selling land at the expense of the schoolchildren at fire sale prices. [LB558]

SENATOR HAAR: Sure. Is there any income coming in right now from the carbon program? [LB558]

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RICHARD ENDACOTT: Not yet. We are...last week, I talked to the head of the Chicago Carbon Exchange which is the only exchange; well there are a couple of small ones, other ones in the United States that buy and sell carbon units. And we're trying to work out a way to do that. There are some restrictions as far as states selling carbon credits, but we think we can do it through our lessees and let them share some of that, but also have the Board of Education share. The problem right now is that Kyoto II...Kyoto I was not approved by the administration, and so we can't sell carbon credits into Europe whereas they're selling for 10 to 15 or 20 times higher in Europe than they are here. The new administration is talking about opening that up, so there could be anywhere from \$10 to \$20 million of additional money if we can get this into the Board of Educational Lands and Funds. [LB558]

SENATOR HAAR: I know that...I believe it's through the Farmer's Union right now, there are some hundreds of thousands of dollars coming into the state because of that program. How about leasing land for potential wind projects? Are we doing any of that right now? [LB558]

RICHARD ENDACOTT: The Board of Education is. We have a project that we're dealing with OPPD in Richardson County and attempting to get that approved. It's subject to OPPD, but we have a current lease with a development company. So if that comes on board, that could result in several million dollars over a three- or four-year-period for the Board of Educational Lands and Funds which would flow through to the schoolchildren. [LB558]

SENATOR HAAR: Well, I'd suggest to Senator Nantkes that that may be something to pursue of going for those additional monies, not taking away from what's already being, you know, handed out, but some of those additional monies that we could generate from those lands. [LB558]

RICHARD ENDACOTT: If that were the case, as I say it's our mission to really maximize those funds, and we're doing everything we can to get into those programs and make them productive. [LB558]

SENATOR HAAR: And if we could print money on that land, that would help, too. (Laughter) [LB558]

RICHARD ENDACOTT: That's right. [LB558]

SENATOR ADAMS: Are there other questions for Mr. Endacott? You will be back with another bill later on where this subject will be more specific, and we can ask a lot more questions about it. Thank you. [LB558]

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RICHARD ENDACOTT: Thank you. [LB558]

SENATOR ADAMS: Is there any more neutral testimony? If not, Senator Nantkes, would you close? [LB558]

SENATOR NANTKES: Senator Adams and members of the committee, number one, thank you so much for your kind attention and consideration of this important issue this afternoon. I also want to thank the testifiers who took time to come down today, and it's nice to hear so many people support a concept and try and offer positive ideas about how we can move forward together. I'll tell you listening to the testimony there is something that--particularly compelling--that struck me in the fact that the statistics in terms of what my proposal is and what we're talking about is...think about it, 3 percent of the total amount that we send out in terms of, for education funding each year. We're asking you to do something with that 3 percent of funds to show teachers that we do appreciate their struggles, and that we can't fix all of the woes and we can't jump from the low 40's to the top 10 in one year or two years, three, four or five; but we can do something to recognize their struggles and hopefully try and stem the tide and turn it in the right direction. And maybe down the road, Senator Haar, some of those additional new sources of funding may be appropriate to earmark for this or other purposes. My only hesitation in that regard is that it will be a while until they would be available. So I would hope maybe in the meantime you would consider a proposal like this or something else in terms of addressing teacher compensation issues. Thank you. [LB558]

SENATOR ADAMS: Last questions for Senator Nantkes? Senator Haar. [LB558]

SENATOR HAAR: Yes, thank you. Actually those carbon credits and so on are not necessarily down the road. They're happening already and so I'd be interested in exploring with you. [LB558]

SENATOR NANTKES: Great. Thank you. [LB558]

SENATOR ADAMS: Other questions? Thank you, Senator Nantkes. That closes the hearing on LB558. And we move on to LB665, Senator Janssen. [LB558]

SENATOR JANSSEN: (Exhibit 18) Good afternoon, Chairman Adams and members of the Education Committee. For the record, my name is Charlie Janssen, C-h-a-r-l-i-e J-a-n-s-s-e-n, and I represent the 15th Legislative District in the Nebraska Unicameral. This is the first time I've come before your committee or any other committee, for that matter. So it's kind of a historic moment for me and also the first time I've testified as a fan of the six-time defending Super Bowl champion Pittsburgh Steelers. (Laughter) I appear before you today to introduce LB665. It's the Teacher Shortage Loan Repayment Act. I introduced LB665 in order to address a critical need in my legislative

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district and probably you have similar needs in your legislative districts. In Dodge County, and in counties across the state, school district personnel are searching for the best and brightest teaching candidates to join the ranks of their district staff. Students at our public and private universities and colleges are studying hard as we meet here today to learn the ins and outs of teaching and the teaching profession. Many of these students have fond memories of their elementary and secondary school experiences in Nebraska and would like to take their new professional training back to their hometowns or regions to instruct the next generation in subjects that they love. In many small districts across our state, the beginning teacher's salary schedule may not be enough to get these postsecondary students back to their hometowns or their hometown areas. The rising cost of tuition and living expenses may persuade teachers college students to look for higher paying jobs than their hometown area school districts are able to offer. With these circumstances in mind, I researched and introduced LB665. This bill would direct the Coordinating Commission for Postsecondary Education to manage a Teacher Shortage Loan Repayment program that would permit selected teachers college students to enter loan forgiveness arrangements if they promised to teach in a certain shortage area for a certain period of time. I modeled this concept after a program that was...a program that the state of Wyoming recently created to reward their new teachers in certain shortage areas. Wyoming limited their program to a certain subject area. I declined to do this, and opened the program up to teachers in all subject areas. LB665 does have an appropriations restriction, Section 10 asks for \$150,000 in fiscal year '09-10 to begin the program. I realize that this is a small amount of money, but I think it is appropriate to make sure that this concept works before we invest too many state resources in it. State statutes currently permit several loan forgiveness plans for healthcare professionals. The amount of the General Funds varies, but \$150,000 is not out of line with other professional loan forgiveness programs presently in statutes. I am aware that Nebraska state statutes have a teacher loan forgiveness program at present. The Attracting Excellence to Teaching Program is a good program that is attempting to do similar things as LB665. There are a few key differences. Attracting Excellence to Teaching is dependent on lottery proceeds to operate. LB665 is not. Attracting Excellence to Teaching is administered by the state Department of Education. LB665 calls for the Coordinating Commission for Postsecondary Education to administer the program. I hope that no one here today views LB665 as a criticism of our state Department of Education or the Attracting Excellence to Teaching program. LB665 gives the CCPE charge for the Teacher Shortage Loan Repayment program simply because the CCPE presently administers several state aid programs to postsecondary students, and I thought it may be appropriate for them to administer this program as well. I would be most willing to discuss with the committee members whether these programs should be perhaps combined. I support efficiency in government and do not intentionally seek to unnecessarily expand the size and scope of state government programs. I am somewhat concerned that Attracting Excellence is dependent on lottery funds, and that program was not funded from its creation in 2000 until 2006, according to the legislative fiscal analyst and an employee of the Department of Education. I would

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like the committee to be aware of one technical amendment that I am passing out now. AM29 strikes line 13 on page 4. This was a drafting oversight. My staff met with legal counsel several days ago to provide notice of this technical amendment. I am also aware that this amendment is referred to in the technical notes portion of your bill summary. I would like to also let everyone with interest in this bill to know that with the limited appropriation that I am seeking for, I hope that the Coordinating Commission, if this bill passes into law, will give priority consideration to teacher candidates that agree to teach in areas and districts with smaller enrollments that may not receive the level of applicants for teacher vacancies that larger school districts may receive. I do have possible language available for members and council if you see fit to consider such language as you deliberate LB665 in your executive sessions. I envision this program as potentially assisting smaller school districts to be able to recruit their former students who would like to return to their home or their area and have total compensation packages that would make that decision feasible. We all know that teachers' salaries are low in some parts of our state, and I envision LB665 as being a supplemental compensation package option for students who would like to return to their hometown areas or school districts. Thank you for your time today, and I would be happy to answer any questions that the chairman or committee members may have. [LB665]

SENATOR ADAMS: Thank you, Senator Janssen. Senator Haar. [LB665]

SENATOR HAAR: Thank you. We ask tough questions in this committee. No. What's the size of this program as you're introducing it? Do you have any idea, I mean, is that? [LB665]

SENATOR JANSSEN: As far as size in the appropriations, it's \$150,000. How many students would that reach, is that what you're asking me? [LB665]

SENATOR HAAR: Yeah. [LB665]

SENATOR JANSSEN: It's hard to tell when you look at the number of, the money that will be appropriated if this should become law would be, would restrict the number of students that could apply. When you look at the...it's hard to pinpoint because in the statute, it will state that the tuition is waived, but first you must apply for federal student aid. So that number could be a moving target, but it won't exceed what the cost of tuition would be, full tuition and fees--mandatory fees--at the University of Nebraska-Lincoln. [LB665]

SENATOR HAAR: Okay, so it would start with \$50,000 (sic). And then I noticed in the fiscal note though that the Commission is saying it would cost them \$65,000 for the first year to administer it, so how do you feel about that amount? Do you think that's accurate? Would it take a full-time person? [LB665]

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SENATOR JANSSEN: You know, I'm...that came as somewhat of a surprise to me. As a private businessman, I would sit here and say I'm not going to enact a program of that magnitude with that cost on it. They, you know, I don't want to speak for them, but to me, it seems like they're administering several programs now, and for one program to require that level of a person, I guess I would take a little bit of umbrage with that and say maybe it's not necessary. But if they don't feel they could do it, maybe it would be something that Education would look at, in doing. [LB665]

SENATOR HAAR: And as a startup program, perhaps it could just be taken care of by somebody currently for a small program. [LB665]

SENATOR JANSSEN: I would say so, and if you want to, if you want to justify the program, I guess I could throw a bigger appropriations note on it and say, well then it's certainly worth having a person do it full time. But you know, with what I was seeking was a low appropriation because I know times are tough right now. And to get this program started, and it was certainly my intention not to hire a full-time person. Now I know that may have the commission a little bit at arms on that. But I think everybody is kind of buckling up a little bit right now, and I think the same could be said for this commission. [LB665]

SENATOR HAAR: Thank you. [LB665]

SENATOR ADAMS: Senator Howard. [LB665]

SENATOR HOWARD: Oh, thank you, Mr. Chairman. I actually have two questions. First, can you tell me what you define as a teacher shortage area school district? [LB665]

SENATOR JANSSEN: Yeah, there is a...I give great latitude to the rules making of this, should it become law, and what we were looking at is we were going to put a number in there, but we didn't want to draw an arbitrary number out of there. And what I really looked at, even though it's not statutory a lot of times is, would basically be any school, if you're familiar with the NSAA, that would fall below the Class A certification. So those are the numbers I would look at. [LB665]

SENATOR HOWARD: So it would exclude Class A? [LB665]

SENATOR JANSSEN: That would be the intention, yes. [LB665]

SENATOR HOWARD: Hmm. Okay. The second question is I see you put a sunset on it. Was there a reason for that? [LB665]

SENATOR JANSSEN: I think everything needs to, if it's working, I can come back and

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justify it, that it's been working. and if it's not, c'est la vie. [LB665]

SENATOR HOWARD: All right. Thank you. [LB665]

SENATOR ADAMS: Other questions? Seeing none, Senator Janssen. [LB665]

SENATOR JANSSEN: Thank you. [LB665]

SENATOR ADAMS: We'll move on to proponents of the bill. [LB665]

JAY SEARS: (Exhibit 19) Now I see why my boss said I should be paperless. Good afternoon, Senator Adams and Senators of the Education Committee. I'm Jay Sears, J-a-y S-e-a-r-s, program director for instructional advocacy with the Nebraska State Education Association. We appear before you today to support Senator Janssen's LB665. Earlier you received in your packet the little pinpoint map of comparison of beginning salaries with the border states. And to get as close as I can to Senator Janssen's legislative district, I will point you to the pinpoint that is in the middle of the state, but the pinpoint is closer to Tekamah-Herman. And it compares the Tekamah-Herman beginning salary with its counterpart in Iowa in Tri-Center. And you'll notice that the beginning salary in Tekamah-Herman is \$27,800, and the beginning salary across the border in Iowa is \$31,900. If you do the quick math with Senator Janssen's bill, what you find is that if you reimburse at the University of Nebraska-Lincoln undergraduate rate, that almost closes the gap for a beginning teacher in the loan amount. And so one of the reasons NSEA supports Senator Janssen's bill is it helps us recruit and retain those new teacher ed candidates coming out of the state of Nebraska, and keep them in our state. It doesn't do everything to close that salary gap, and there are a number of other proposals before you this year in the Legislature to try and close the salary gap. But that's an illustration and one of the reasons we support Senator Janssen's bill, LB665. The other reason is, as he stated, it's \$150,000 from the General Fund. It doesn't rob the lottery funds as we seem to do every year. One of the bills that we're going to talk about next is a reallocation of the lottery funds for the Teaching Excellence program. And that's a good cause also. We need to be able to be flexible in the dollars that we have during these times and get them to our teacher candidates and also our current teaching population to keep them in the state of Nebraska. Because if you follow the map when you go out west, no money of money that we have seen in this bill, the next bill, or even the teacher salary bill of \$32 million from the land, Educational Lands, closes the gap between Scottsbluff and Torrington, when Wyoming comes up with \$40,000 for the beginning teacher, go ahead and talk to a Chadron State graduate from teacher education out there and see where it is they want to go to teach. They do the math very well. They are our best and brightest and they can figure out the difference. So as I said, we have some...I have some written testimony, but I just wanted to illustrate to you one of the things that we need to be putting into packages to recruit and retain the best and brightest in the state

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of Nebraska. So I thank you for the opportunity to speak before you on behalf of the educators in Nebraska, and I'd be glad to take any questions. [LB665]

SENATOR ADAMS: Thank you, Jay. Are there questions? Senator Haar. [LB665]

SENATOR HAAR: Thank you. Well, this is probably more of a comment than a question, but I have a friend who teaches in Lincoln, the Lincoln Public Schools, who has grandkids in Iowa City, and she went to apply for that job, a similar job...a similar job with all the same requirements and didn't get the job in Iowa City, but the pay was \$8,000 a year more. [LB665]

JAY SEARS: Yes. [LB665]

SENATOR HAAR: And um, I'm really concerned about that. [LB665]

JAY SEARS: Yeah, so am I, Senator. It's nice that Iowa values teachers. [LB665]

SENATOR ADAMS: Other questions? Thank you, Jay. [LB665]

JAY SEARS: Thank you, Senator. [LB665]

SENATOR ADAMS: Other proponents? [LB665]

DOUG NABB: Senator Adams, committee members, my name is Doug Nabb, D-o-u-g N-a-b-b, and I'm a registered lobbyist for Fremont Public Schools. I want to thank Senator Janssen for introducing LB665. A key question that this committee has to deal with as you consider legislation is how near or far from the classroom do these bills that you consider land? This piece of legislation ultimately ends up right in the classroom. As a former classroom teacher for over 30 years, I can tell you that my life was impacted by a similar program in the 1960's. I think Senator Adams will probably know what I am talking about. I'll leave it at that. You never know what impact you have when you do something. But this will definitely help schools in Nebraska who are having trouble getting qualified teachers in shortage areas. While there are shortages in urban areas like where I live, these shortages are even more critical in rural areas. At this point, I think the phrase that's appro pro would be "be all that you can be." And I would only say that the teacher candidates and their students would be the ones that would benefit from this bill considerably. I hope you will give strong consideration to this program, and I thank you. And if there are any questions, I'd try to answer them for you. [LB665]

SENATOR ADAMS: Questions. Senator Haar. [LB665]

SENATOR HAAR: Do you have some idea of what the shortage areas are in the Fremont Schools? [LB665]

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DOUG NABB: Science, math are the two big ones. Spanish. We have a major ELL program, and we have trouble with that. Those are our three. [LB665]

SENATOR HAAR: Okay. And this would be mainly at the high school level then probably or? [LB665]

DOUG NABB: We have it all the way through. We have problems...when you talk about as an example, my wife still teaches and if she gives a test in P.E., she has to have an interpreter interpret that test or put it down in Spanish and then has to have them go back over it again, plus administer it. Now, you know, there's not the funding for that and so you have to take away from your general fund levy for those things. [LB665]

SENATOR HAAR: Okay. Thank you. [LB665]

SENATOR ADAMS: Are there other questions? Thank you. [LB665]

DOUG NABB: Thank you, Senator. [LB665]

JAN MCKENZIE: (Exhibit 20) Senator Adams and members of the Education Committee. For the record, my name is Jan McKenzie, spelled M-c-K-e-n-z-i-e, and I am here today appearing before you as a registered lobbyist for the Association of Independent Colleges and Universities of Nebraska. I know you've become accustomed to seeing Tip O'Neill testify in that capacity, and he is in Washington, D.C. today, so asked me to fill in for him. AICUN is a consortium of 14 privately controlled nonprofit colleges and universities which are located in Nebraska. We are here to support Senator Janssen and LB665 today in his efforts to increase the number of teachers in Nebraska schools and in particular in areas of shortages. We're concerned with the shortages and need good teachers in our schools so that Nebraska high school graduates are well prepared for the work force and postsecondary education. AICUN figures show that independent colleges and universities are the only higher education sector which has awarded an increased number of teacher education degrees in Nebraska in the past ten years. Prospective teachers simply cannot afford to borrow significantly larger amounts of money for their education based upon the income teachers receive for teaching in Nebraska. This program, which will provide loans that will be forgiven if the student teaches in Nebraska, will assist students in meeting their educational costs. Tip has communicated with Senator Janssen's staff about some technical questions regarding the bill. We are supporting the concept and pledge our assistance in creating a program that makes sense for college students and the students they teach during their professional careers. Tip says on your testimony that I'd be happy to answer any questions, but I'd probably prefer that if you have them, that you let me know and I would ask Tip at the assistance, in assistance, of course, to answering those. [LB665]

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SENATOR ADAMS: Senator Sullivan. [LB665]

SENATOR SULLIVAN: I bet you can answer this one though. (Laugh) [LB665]

JAN MCKENZIE: I'll try. [LB665]

SENATOR SULLIVAN: Well, the lobbyist for the Fremont Public Schools made me think of this, though. In this whole effort to deal with teacher shortages in certain parts of the state, we probably also need to be dealing with shortages in subject matter areas. And I wonder if there's any, I guess maybe that would have to come through the institutions of higher ed. And is anything being done in that respect? I mean, that's kind of off the subject, but. [LB665]

JAN MCKENZIE: I don't know, and I'm sure that Tip would have to probably survey each of the individual colleges or universities that are within his association because my guess would be that there are differences among the various institutions. I know that Doane, in particular, has, just from my own personal experience in conversations with teachers I know in my part of the state have really worked very hard to try to create kind of cutting edge, new leading types of programs as they saw needs emerging in the public school system and did a tremendous job of outreach into the rural areas of the state for advanced level training for teachers, and so had a lot of response...would offer courses, night courses for a master's degree in particular areas across the state which was very popular with employed teachers. So I'm sure it's going to vary from institution to institution, but the world is changing at a rapid pace. Not only for the institutions, but I think for kids in the schools and for the families of kids. [LB665]

SENATOR ADAMS: Are there other questions? Thank you, Jan. [LB665]

JAN MCKENZIE: Whew! At least I could answer that one. Thank you. [LB665]

SENATOR ADAMS: Are there other proponents? Are there any opponents to the bill? Neutral testimony? [LB665]

JEREMY MURPHY: Good afternoon, Senator Adams and members of the committee. My name is Jeremy Murphy, spelled M-u-r-p-h-y. [LB665]

SENATOR ADAMS: Excuse me, Jeremy, are you testifying in opposition or neutral? [LB665]

JEREMY MURPHY: We're testifying in opposition. [LB665]

SENATOR ADAMS: All right. [LB665]

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JEREMY MURPHY: I represent the Nebraska Catholic Conference. I'm the associate director for education issues. And our only opposition to this is based on the eligibility does not appear to be open to private school teachers. We do have thousands of certificate holders that teach in our private schools. That's really all we have on the bill. [LB665]

SENATOR ADAMS: Are there questions? Thank you. We'll take note of that. Is there other opposition testimony? Then we'll move to the neutral. [LB665]

MARSHALL HILL: (Exhibit 21) Good afternoon, Chairman Adams and members of the committee, my name is Marshall Hill, M-a-r-s-h-a-l-l H-i-l-l. I am executive director of the Coordinating Commission for Postsecondary Education. I'm going to start by affirming that the commission certainly recognizes the importance of this issue, and...that LB665 is focused on solving. It's certainly important that well-qualified teachers be available for K-12 schools throughout the state and that we find some ways to help students go into a career in education without looking forward to a life of difficulty economically. And we certainly appreciate the confidence that Senator Janssen has shown in the commission by asking us to administer this new proposed Teacher Shortage Act. Loan repayment programs such as the one proposed in LB665 are fairly common in other states. This has been mentioned. They tended to focus in their early days on professional education. Physician loan repayment programs were the first general type such as this. Also similar programs for educating nurses, dentists, and teachers. The general idea is to find a way to grow your own locally, to get them back on the farm after they have been, "been to Parie" in the old, old phrase. They are fairly complex to administer. I say that from the perspective of my prior work in Texas, at the Texas Higher Education Coordinating Board, one of the largest coordinating boards in the country. We had several loan repayment programs similar to this and my comments are about the complexity and the difficulties of administering them are really factored and based on a conversation I have had with a person in Texas who runs these. The problems generally come in the repayment period of time. Agencies are charged to ensure that the loans are repaid. And that's not always easy to do. You then find yourselves turned into either an agency that is suddenly collecting on bills or you have to have the expense of hiring someone else to do that. That does two things. One, it's obviously costly and difficult to do, and it sort of changes the flavor of what your agency really does. So these are not insurmountable problems, but they do, they do provide some complexity. There are some technical aspects to some sections of the bill that we could suggest some amendments to. A couple of them are, for example, more targeted references to the types of federal aid programs that would need to be accessed prior to this. We would have some thoughts about whether or not the Nebraska state grant program as well should be accessed for individuals prior to reliance on this program. And a second concern, for example, the long-term financial obligations. One section of the bill stipulates that if a student becomes eligible for a loan in one year, they remain eligible

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for repeating loans in successive years, if they remain in good standing and so forth. That would give us some concerns as the bill is now stipulated with only two year, two-year funding provided, but yet a long-term obligation for students. Senator Janssen, I hope you haven't taken too seriously the umbrage of our fiscal note. To provide some context, the Coordinating Commission, when it became fully operational in 1992, had 14 FTE staff. Over the past years, the list of responsibilities that we carry out has gotten longer and longer and longer. That's not all bad. It's indicative of the trust that the Legislature and others have placed in us. But we do keep adding responsibilities without adding staff. We now have 13 staff to do far more than we did in 1992. As I mentioned the other day, we have the smallest staff of any agency like ours in the country, and we have no where near the shortest list of responsibilities. Indeed, there are only two or three agencies around the country that do more than what we do. They do it in larger volumes, but most of us who have been in business understand there's fixed and variable costs, and it's a large effort to start up a new program and ensure that it's done well. We would need some assistance for that. We debated whether we would need an additional full-time person to start or a half-time person in the first year, so that's debatable. But we did think it was important to indicate that it's at least my judgment that we could not absorb the administration of this program without some additional resources. I'd be please to respond to any questions you might have. [LB665]

SENATOR ADAMS: Thank you, Marshall. Are there questions? Seeing none, thank you for that input. It helps. Appreciate it. Is there any other neutral testimony? If not, Senator Janssen to close. [LB665]

SENATOR JANSSEN: Thank you, Chairman Adams, members of the Education Committee. Director Hill, with taking umbrage, yeah, maybe part-time would be okay for that. (Laughter) But the thing that did kind of stick out to me on that appropriations bill is how much more the starting position was...starting salary for this position than a schoolteacher is. It was quite significantly higher than that. Actually about two schoolteachers' salaries in my districts. This is meant as a recruitment tool. And that's what it is. That's the business I'm in, in healthcare actually, is recruitment. And the best way to get somebody back to an area is with that loan forgiveness. And we can get them back in their areas, I think it's also a gateway to a master's degree. If you're not paying back undergraduate loans, that frees up money that you would have on your lower teacher pay that you would be able to put towards a master's degree. And Senator Howard, I want to follow up on my...your question you asked earlier. It...although I put the Class A, that's just me theorizing here. As written, all schools would be eligible for this. But we'd want to watch, I'd just want to read into the record, the intent is for smaller, underserved areas. But if, for instance, Fremont Public Schools or Lincoln Public Schools could demonstrate a need, they would, they would be eligible. [LB665]

SENATOR HOWARD: Omaha, Omaha. (Laughter) [LB665]

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SENATOR JANSSEN: (Exhibit 22) Or Omaha. They could demonstrate need. And plus there are several Class B, C, and D schools in Omaha and Lincoln as well. The private schools. Speaking to that note, the opposition that we had, I actually had an amendment, it was an oversight for us. We were in a hurry. As a new senator, bill drafting was a new concept to me, and we did intend to put the private, denominational, and parochial schools in there. So I do have an amendment ready for that. I think that should probably lessen or even flip the position of the opposition on that. And I didn't want to limit it by subject matter either. I think just simply the subjects brought, you know, if Dodge High School, which is in my district, needs a science teacher, they'll apply for a science teacher. If they need a physical education teacher, they need a physical education teacher. I did not want to differentiate amongst the teaching profession of who is eligible for this or not. Because the goal is to get qualified teachers into areas and it is my belief that if they get into that area, and they set roots there and they already have some roots there, that they'll stay there. I think this is good for education and I'd be happy to work with the committee. I'd be happy to work with Teaching in Excellence and some type of talking the programs out, but I think the main factor is we're talking about a sustainable amount of money that, it's a low, low amount...but it's an amount that they can count on every year. Lottery funds is not something you can count on every year. With that, I'll answer questions. [LB665]

SENATOR ADAMS: Questions for Senator Janssen? Thank you, sir. That will close the hearing on LB665, and we'll move on to the last bill of the day, LB547. [LB665]

SENATOR HOWARD: Welcome, welcome Senator Adams. [LB547]

SENATOR ADAMS: (Exhibits 23, 24) Thank you, Senator Howard and members of the Education Committee. My name is Greg Adams, and I am here to introduce LB547. Let me give you a little background, and I realize we're late into the afternoon, but it's important to frame this. A year ago, there was a major bill introduced in this committee that dealt with a three-pronged attack at trying to compensate teachers. It was big, it carried a big fiscal note, it was complex, it was intriguing in many ways. It raised a lot of discussion. The end result was the bill did not come out on the floor. However, there was an interim study proposed and carried out during the interim dealing with teacher pay. And admittedly, the focus of it was to look at incentive performance type of pay mechanisms; however, in so doing, the staff that did the interim study really looked at a lot of different things. So this bill, as is proposed, really comes to you, in my opinion, from two thoughts. One, what was derived, the information we derived from that interim study; and secondly, the travels that I did during the interim all across the state from one school district to another, large and small. When you start to try to identify the issue of teacher pay, we can throw out an average that we fall below. There's no denying it. But we are also looking at \$200-plus million to bring Nebraska teachers up to the midpoint in the country. Realistically, it's not going to happen, whether we want it to or not. So

then the next issue for me became to identify the problems and identify specifically the problems that the state could develop and rationalize good state policy to address. And you've heard a lot of those problems identified here today. In some cases, there is border bleed. In some cases, there is not. Starting pay is still an issue. Yet, in other areas, we get a number of applicants for jobs. Retention was something that continued to jump out in my mind as an issue. Somewhere about...somewhere around year three, four, and five, we start losing people from the profession. And that can happen for a host of reasons: social, picked the wrong profession, a lot of different things. But one of the things that may be causing that retention problem could be teacher pay. So then the issue becomes can the state legitimately develop a policy that focuses on that particular problem? And do it in such a way that it's truly a justifiable policy. As I looked back at what I was finding, not only as a result of the interim study and traveling across the state, but in 31 years of teaching, part of the problem with retention is you have young teachers that enter the field enthusiastically and maybe after three or four years they realize, this isn't the field for me, and they want to leave. It has nothing to do with pay. And again, as I said, some of them are heading down the road for a spouse or whatever it may be. But some of them are sitting there saying, I like where I'm at, I like the profession that I'm in, but I'm in year three or four, I'm making \$30,000 or \$32,000, particularly if I have some extra-duty pay, and I look out there and I see other pay in other professions or I see people around me that teach with me that are making higher pay, and I can't decide whether to stay in the profession or not. Well, I remember as a veteran teacher, I would say to those young ones, you've got to get in there and get that master's degree because the reality of it is, that's how collective bargaining unit schedules are put together. The benefit is out there. But you have got to get the graduate degrees. Well, the response in many, many cases was obvious. I'm making \$30,000-some a year; I'm still carrying \$20,000 in undergraduate debt; I've got \$600 a month rent; the list goes on. You understand where I'm going. So my thought was, can we develop good state policy around that retention point, encourage them to get the master's degree which moves them up on the pay scale, but from a state policy standpoint, are we also putting a better teacher in the classroom? No guarantees, but we certainly improve the odds of doing that. The bill that you have in front of you modifies an existing loan program, Attracting Excellence in Teaching. Now that particular program right now is administered by the Department of Education, uses lottery dollars that are earmarked for this purpose, and it is strictly for undergraduate studies in shortage areas. Now by shortage, we're not talking demographics now: special education, speech pathology, science, and there are people here that can better speak to how the money is used than I can. But my thinking was that's, that's great, that's fine, but maybe there is something more that we can do to approach the problem that I see, that I just described to you. Keeping those teachers, helping them move on the pay scale, and at the same time, putting a better teacher in the classroom. What I'm proposing that we do is take the approximately \$1 million that's in that program and reallocate it a bit. In other words, we would keep the same program that's there for undergraduates in shortage areas, but I'd like to redistribute the monies and put more of

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the monies over to a new side which would be paying for graduate programs for teachers, reimbursing them for graduates. And what I'm looking at is this: if you're in teaching and you want to get that master's degree, what the state of Nebraska would do is to help you with it, but obviously under some conditions. It's going to have to be in teaching. It's going to have to be in an endorsed area or a shortage area like special education or an endorsed area. The difference? Well, I'm a social studies teacher. I'm not in shortage, not like the special ed. But I'd still like to get a master's degree in social studies. That's the area you're endorsed in, under LB547, we would assist in that. Or a third prong would be, and this could help many of the rural schools, I'm endorsed in science, but I'm not endorsed in math. Could I get my endorsement in math because the school district that I'm in needs somebody to teach calculus. And with a letter from the administration saying that this person needs, we need this person in our school district to get this additional endorsement, they would qualify for the loan program. The idea is that we're going to move those people on the pay scale, help them out a little bit. Now in terms of money, we're talking approximately a million dollars. There's a fiscal note. But I have two amendments here, if you would hand these out please. One of the amendments that I would, that I'm handing out to you, what it would do is to say that in that million dollars, we would use approximately \$100,000 of it; \$100,000 of lottery money to pay for the administration of this. So in other words, we could negate the fiscal note that you see there. We would actually use the lottery monies to administer. And then proportionately what we would say is approximately \$300,000 would go to the beginning teacher loan forgiveness program. And the remaining approximately \$600,000 would go over to the new graduate studies program. Now that's the essence of it. Now, I can go through some of the highlights of the amendment with you as well. The more lengthy amendment that is being handed out to you is in partial response to some discussions that we've had with the folks at the Department of Ed that work on this. And we're trying to make the hours that a person might attend college on any given semester reasonable in order to qualify for this. We're setting it up also at \$175 a credit hour rather than saying necessarily a maximum amount. There's a host of different things here that you can read through. Students working towards their initial certification would be required to be endorsed in a shortage area, whereas the graduate, it could be in an area that's not in a shortage area. Forgiveness of the loan would begin after two years. It wouldn't happen just immediately. We want to keep them in the profession to pay it down. There would be a \$3,000 per year full-time teaching reimbursement. That would be the allowable amount, and if you note also that if, if this teacher is teaching in a very sparse area, not sparse, but a very sparse area or an area that has a lot of poverty as determined by the TEEOSA formulation, then the amount of forgivable loan could increase. The other shorter amendment is more of a technical housekeeping chore, but given that state dollars are being distributed here, what that amendment would say is that you wouldn't go through the typical contractual arrangements of putting out for RFPs and those kinds of things on this program. So that generally is the concept and I'd be glad to answer some questions, and hope that I have all the definitive details. [LB547]

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SENATOR HOWARD: Committee members, do we have questions? Yes, Senator Giese. [LB547]

SENATOR GIESE: I do. Senator Adams, on the retention side that you mentioned initially, the three to five year window, I'm assuming that it's not just a Nebraska issue. Do you have any? [LB547]

SENATOR ADAMS: You know, I can't address that. My guess is that any state regardless, well, I say regardless what you pay the teacher, any of us in our given professions at some point have to make that decision, is this really what I want to do. But I can speak specifically to Nebraska and teaching, it seems to be right about the three, four, five year mark where those decisions are being made. It may very well be in other states as well, I can't say. [LB547]

SENATOR GIESE: Thank you. [LB547]

SENATOR HOWARD: Any other, yes, Senator. [LB547]

SENATOR HAAR: Do you see the person administering this program potentially administering the program of the previous bill, the one that Senator Janssen introduced? [LB547]

SENATOR ADAMS: Anything is possible. This is the Department of Ed. They're administering this now, and I mean, that's...it's possible. [LB547]

SENATOR HAAR: Okay. [LB547]

SENATOR HOWARD: I have a comment, Senator. I like this in that you certainly give people the opportunity to make a choice. If they want to move on, it would be there for them. They could advance in their profession. And it's so, it's very comprehensive. It gives people the opportunity to look at subject area or property. I mean, you pretty much covered the waterfront here. [LB547]

SENATOR ADAMS: We have tried. [LB547]

SENATOR HOWARD: So that's really amazing. So thank you. [LB547]

SENATOR ADAMS: Thank you. [LB547]

SENATOR HOWARD: Proponents? And how many people do we have who will be speaking as proponents? Okay, good. You want to come on down to the front, and we'll keep it moving along here for us. [LB547]

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SHARON KATT: (Exhibit 25) Senator Adams and the Education Committee, my name is Sharon Katt. First name is S-h-a-r-o-n, last name K-a-t-t. And I am a program specialist with the Nebraska Department of Education. In the room with me, I believe, covering my back here is Marge Harouff, who is former administrator of teacher education and is currently serving as a deputy commissioner of the Department of Education. Both Marge and I have had responsibilities for the implementation and management of the Attracting Excellence to Teaching program. We are here on behalf of the State Board of Education to support the changes to the Attracting Excellence to Teaching statutes that will strengthen the program and further encourage college students to enter the profession and also provide opportunities for practicing teachers to further their knowledge and skills through completion of graduate programs in education. And I neglected to provide these as handouts. There are several sections of the bill that we strongly support. These include the following and I will say advisedly I'm not too sure that we have carefully studied the amendments that Senator Adams mentioned and so I do apologize if some of this becomes redundant or unnecessary. We do support increasing the scholarship loan amount from \$2,500 to \$3,000 annually. We appreciate the fact that the number of credit hours that an undergraduate candidate must be enrolled in to qualify for the scholarship has been reduced from the current Attracting Excellence statute. The current act requires 30 hours in a 12-month period. That's very difficult, both from an undergraduate or a graduate person to meet that standard. The 24 credit hours annually for undergraduates is more in keeping with the state institutional definitions of full-time undergraduate students. Also in the bill, of course, graduate student hours have been reduced to 18 credit hours on an annual basis. This also is more in keeping with the full-time definition of graduate students typically used by Nebraska institutions--typically, 18 hours per year. We do see increasing numbers of graduate students and practicing teachers who are pursuing initial and advanced teaching certification, and this change in hours will certainly make the possibilities more accessible to individuals. LB547 would also provide opportunities for teachers to obtain financial assistance to complete graduate programs in order to obtain additional endorsements in shortage areas, in advanced degrees in areas for which the individual already holds a teaching endorsement or in an area requested by their district administration. As Senator Adams has indicated, current teachers are not included, were not included in the original legislation, and we certainly, in the Department of Education, believe that providing these individuals financial assistance is a positive aspect of the bill. There are some sections of the bill that we found to be troublesome, and they include some of the following: The current legislation, as he indicates, provides \$1 million from lottery funds to support undergraduate students. LB547 would split that money. Now that is not the issue that we have. We are more concerned and believe the amendment has addressed some of this, that we would like to see more of a balance between the two groups; both the initial preparation folks and the current teachers. The bill requires that recipients teach two years. Our second issue that we might have, the bill requires that recipients teach two years before qualifying for

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loan forgiveness. And that qualification for loan forgiveness is to teach one year for each year of scholarship. The current act does not require the two-year teaching commitment before qualifying for forgiveness. We're concerned that the addition of that two-year teaching requirement significantly increases the need for program management resources to track and maintain records of the recipients. Director Hill indicated this earlier in his testimony. It becomes a very time-consuming process to track people through this process, be they in continuing in school, if they're repaying, or if they are teaching to seek forgiveness. We believe, and have done some look at this, that there is the potential for some individuals to be in the Attracting Excellence system for excess of ten years, from the point at which they received an initial scholarship to the point where they complete their obligation either through repayment or teaching. That's a long time to track someone. We are asking you to reconsider the two-year teaching requirement prior to the forgiveness provision and would prefer that the loans continue to be forgiven on a year for year basis immediately following completion of the preparation program. The bill also requires absolute priority to shortage areas for initial preparation recipients and further, it requires that a recipient teach in that shortage area for loan forgiveness. And this additional provision of teaching in the shortage area for loan forgiveness creates some issues for us relative to that tracking and the ability to get information in a timely fashion for forgiveness or for repayment. We also know that teachers, particularly in some of the more geographically isolated areas and teachers that go into smaller school systems may find themselves assigned to teaching positions outside of their endorsed areas, outside of the shortage areas. Our preference would be to consider recipients who achieve certification in the shortage area be eligible for forgiveness if they are employed as a teacher, rather than tying the forgiveness to teaching in the shortage area. In the first two years of the program, we have awarded 263 scholarships. As you probably know, the current language in the act provided 100 scholarships the first year and that has increased up to 400 in the fourth year. And this year, we will be allowed, awarding 220 scholarships or roughly \$550,000 of the amount, of the \$750,000 that's available. Not all the scholarships are awarded. One of the common reasons was because undergraduate or graduate students seeking initial certification were not able to meet the 30 hour requirement. So again, we appreciate the fact that the bill addresses that issue. We do believe that increasing the amount of the scholarship as well as reducing the number of hours will help to award more of the scholarship available. The proposed requirements in LB547 will increase staff time required to administer the program and, in particular, with the current teachers because that will be based in the Department of Education rather than utilizing the higher education institutions to assist with the selection and management of the initial teacher recipients of the scholarships. We requested, in earlier conversations, that consideration be given to making funds available, and Senator Adams has addressed that. As the program grows, we know that tracking will become quite time consuming. Within four years, assuming we'd stay with the current act, there will be 1,000 people in the scholarship program in varying stages of that program: forgiveness, continuing to be in school, or in repayment processes. We also would highlight that we...the Nebraska

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Department of Education has conducted a vacancy survey with all Nebraska school districts each year for probably the last seven or eight years. The survey costs rather minimally around \$12,000 and was made available through a federal grant which has now expired, which is why we were seeking some assistance from the Attracting Excellence program because we do believe that a survey of this nature is integral to the program. And then as someone mentioned earlier, too, we are also beginning to see that collection of the scholarship repayments for people that suddenly disappear is becoming more and more of an issue. And we need to be able to contract with someone appropriately for that. In summary, we believe that the Attracting Excellence to Teaching education does provide strong support for the preparation and advancement of quality teaching within Nebraska's schools. We appreciate the support that Senator Adams and the Legislature has given over the past years, and most currently, with the revisions proposed here. And we do look forward to the opportunity to continue the program with the improvements. Thank you. And I will be happy to take any questions. [LB547]

SENATOR HOWARD: Committee, are there questions? Looks like you did a good job. [LB547]

SHARON KATT Thank you. [LB547]

KANDY IMES: (Exhibit 26) Good late afternoon. [LB547]

SENATOR HOWARD: Welcome. [LB547]

KANDY IMES: Kandy Imes, K-a-n-d-y I-m-e-s, president of the State Board of Education. Members of the Education Committee, the State Board of Education is very supportive of many of the revisions to the Attracting Excellence to Teaching Act proposed by Senator Adams in LB547. The teaching profession is a vital part of the future of Nebraska, and these scholarships are proving to be very helpful to people who wish to become teachers. There is increasing interest in the teaching profession by people who have completed baccalaureate degrees in other academic areas who now wish to become certified teachers. The proposed changes to LB547 provide opportunities for them to participate in the scholarship program as well. Another valuable component of this legislation provides resources which practicing teachers can access to continue their professional development through the addition of new endorsements, adding knowledge and skill in the areas for which they are already endorsed, or pursuit of a master's degree that will further develop their teaching skills. These components provide greater educational opportunities for school districts and their students. We agree with the testimony that has been presented by representatives of the Nebraska Department of Education, and hope that the Education Committee will seriously consider their recommendations. I'd also like to reiterate that we know...the staff or the State Board is concerned with the increase in responsibilities in administering and managing the program. So we would also like consideration for and

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require, or...consideration for funding extra staff to administrate that. Thank you.
[LB547]

SENATOR HOWARD: It's always the financial needs isn't it? Committee, do we have questions? Thank you. [LB547]

KANDY IMES: Thank you. [LB547]

SENATOR HOWARD: Welcome. We're ready for you. [LB547]

JAY SEARS: (Exhibit 27) Thank you. You're ready. It's time to go home. For the record, I am Jay Sears. I work for the Nebraska State Education Association. It's J-a-y S-e-a-r-s. Chairman Adams, Senator Howard, members of the Education Committee. The testimony that I have passed out to you--the written testimony--Senator Adams has taken care of most of those things with his two amendments. First of all, I wanted to thank, on behalf of the Nebraska State Education Association, Senator Adams going out and listening to the teachers out in the field about the issues that we have right now. It's nice to have a former teacher out there listening to our members also. And he understands what's going on out there, and so I'm sure what is trying to be done with LB547 is make sure that we can incentivize, recruit, and retain quality teachers for our young people in the state of Nebraska. And so we appreciate the opportunity to support this change in the bill. We'd also like to reiterate and add our support to what the department has already testified to. The difficulty of keeping track of this. Maybe one of the things that we need to start to look at is all the different loan programs we have going on, all the different government agencies that are controlling those different interests. Maybe it would be more efficient if we could get them all together in one place. Earlier, I testified in support of LB665 because it had \$150,000 for new teachers to recruit them and that was General Fund dollars, and we all know that given the economic climate in the United States and our climate in Nebraska, that \$150,000 out of the General Fund, well, I didn't bet on the Pittsburgh Steelers, but they didn't cover the...(laughter) so I guess I'm okay today. But we know what will happen with that. But one of the things I'd ask the Education Committee to also look at is we're going to \$1 million for 2009 for that loan program in the Attracting Excellence. I'm not sure where to place the emphasis in. The majority of my members who pay my salary are current teachers. So I probably should get a clue about that. But we want to attract good quality candidates and keep them in the state of Nebraska, and so there has to be a portion of that incentive program that's there for them. The other thing that I know from my 12 years of teaching is if it hadn't of been for the National Guard Reimbursement Program, I wouldn't have gotten my master's degree, and I might not have stayed in Seward, Nebraska and taught. I might have been out doing something else, and then I wouldn't be before you either, you know, 25 years later. Maybe that would have been a good thing, especially given the hour, so. I think there's some great changes in this legislation. I think it will attract people to the profession. I think it will go a long way to

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keep people in the profession. It will give a number of our districts an opportunity to help their teachers get the endorsements that they need to support the kids that they have in their programs. So if we can work out some way of making it flexible so we can make the money flow in the right places, I know a million dollars sounds like a lot of dollars. But when you break it down into tuition, when 24 undergraduate hours cost--just the tuition piece--\$4,300 a year, and I know that because I have a junior at the UNL program who is not in teaching. But we still pay that check every year. That's a lot of money, and any bit helps. And then if you look at 18 graduate credit hours which our current teachers would be working at going back and getting their master's degree in their content area or another endorsement that would benefit their district and the kids, that's another close to \$4,500 because graduate tuition is even more. And so every little bit helps. We thank Senator Adams and the Education Committee for looking out for the interests of education and our educators and more importantly, the kids that we work with every day. So I thank you and I'd be glad to answer questions, but I have to go home and make dinner for that junior at UNL, so. [LB547]

SENATOR HOWARD: Any questions from the committee? Well, I will say I second what you have said because I too would not have gotten my master's degree if it hadn't been for a program similar to this within the Department of Health and Human Services that offered five scholarships for master's level, and I was lucky enough to get one of them, so. Yes. Thank you. [LB547]

JAY SEARS: Yes, that was very helpful. Thank you. And I wanted to thank Senator Adams staff for sitting down and listening to us and working with us. We appreciate that, and they have always been helpful. So thank you, Tammy. [LB547]

SENATOR HOWARD: Thank you. Any more proponents? Any opponents? Any neutral? [LB547]

JEREMY MURPHY: Good afternoon, Senator Howard and members of the committee. My name again is Jeremy Murphy, J-e-r-e-m-y M-u-r-p-h-y. I serve as associate director for education issues for the Nebraska Catholic Conference, and we're testifying neutral on this bill. We would like to express support and appreciation for the Attracting Excellence to Teaching Program. It's been a great help to teachers that teach in our schools. We have one main concern and a few requests for technical corrections. Our main concern with the bill is that private school teachers who teach in high poverty schools are ineligible for the two for one loan forgiveness. Let me explain. We have many private schools that have high concentrations of poverty. And schools measure poverty different ways. I guess we measure it primarily with free and reduced lunch numbers and of the 122 Catholic Schools that we have in the state, at least 20 of them have 40 percent or higher free and reduced lunch numbers. So that gives you some idea. Poverty is the type of issue that knows no boundaries, and it's affecting our schools just as much as public schools and other schools. So as a matter of fairness

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and equity, we would request that private school teachers who teach in high poverty schools, that they would be eligible for the two for one year loan forgiveness. We have a large number of certificate holders in these high poverty schools. And we would ask the committee to consider that. I think this issue arose in a bill last year as well, and I think we offered an amendment to deal with this issue. I didn't have time to draft an amendment to deal with that this time around, but if the committee is interested in that, we could certainly provide something along those lines. As far as technical corrections, on page 4, line 3, it refers to approved or accredited schools; whereas on page 5 and page 6, it refers to accredited or approved public and private schools, and we would suggest for consistency purposes that the page 5 and 6 language be utilized just so the meaning is clear. On page 11, I guess we're not clear on whether the suspension of payments, whether that applies to the qualifying time or not. And I guess if the way we read it, we think that does intend to apply to the qualifying time, and if that's the case, we think you could insert the word "subsequently" after the word Nebraska on page 11, line 11 between the words "Nebraska" and "becomes employed." We're also not certain if the two year suspension applies to the sparsity and poverty issues, and perhaps Senator Adams could clarify that. Also on page 11, section (b), subsection (ii) in the middle of the page, I guess we have some concern about teaching certificate holders who are not currently employed, but are seeking graduate work, really how that would impact them. And the only other issue that I have or that we have discussed is the secular endorsement issue, and in our discussions with Senator Adams and with Marge Harouff, it's our understanding that this secular endorsement is intended to refer to all endorsements except the religious studies endorsement which appears in the Nebraska Department of Ed Rule 24. If that is the case, then I don't think we really have an issue with the way that's used in the bill. But we want to maybe get a clear understanding of what that's intended to mean. That's all I have. [LB547]

SENATOR HOWARD: Okay. Thank you. Does the committee have any questions for Mr. Murphy? Thank you. Thank you for coming. [LB547]

JEREMY MURPHY: Thank you. [LB547]

SENATOR HOWARD: Any more neutral testifiers? All right, Senator Adams, it's back with you. [LB547]

SENATOR ADAMS: Senator Howard, thank you for your patience. The committee and I appreciate all the testimony that I heard today, and I will tell you in all candor that not only personally but as a committee, we will look at all of these; all of these changes that are being suggested. Already the two amendments that I passed out to you are a reflection of trying to accommodate some of those things. So with that, I'd answer any last questions. [LB547]

SENATOR HOWARD: Committee, any questions? Good job. Thank you. [LB547]

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SENATOR ADAMS: That does bring us to the end of our hearings for today. Thank you all for attending and committee if, I know it's late, but if you could give me 15 minutes to Exec with you. [LB547]

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Disposition of Bills:

LB479 - Indefinitely postponed.
LB530 - Placed on General File with amendments.
LB464 - Placed on General File.
LB558 - Indefinitely postponed.
LB665 - Indefinitely postponed.
LB547 - Placed on General File with amendments.

Chairperson

Committee Clerk