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Education Committee
February 25, 2013

[LB253 LB410 LB438 LB512 LB593]

The Committee on Education met at 1:30 p.m. on Monday, February 25, 2013, in Room 1525 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB512, LB593, LB438, LB253, and LB410. Senators present: Kate Sullivan, Chairperson; Jim Scheer, Vice Chairperson; Bill Avery; Tanya Cook; Al Davis; Ken Haar; Rick Kolowski; and Les Seiler. Senators absent: None.

SENATOR SULLIVAN: Welcome to the Education Committee. I'm Kate Sullivan, the Chair of the committee. I'll introduce you to some of the members that are here, and I trust that the others will be coming shortly. To my far left is Senator Ken Haar of Malcolm, District 21. To his right is Senator Les Seiler of Hastings, District 33. To my immediate right is the Vice Chair of the committee, Senator Jim Scheer, District 19, of Norfolk. To my far right over there is Mandy Mizerski, she is our committee clerk. And to my left is Kris Valentin who is the research analyst for the committee. We also have two pages helping us today: Phoebe Gydesen of Lexington who is a student at UNL, and Sean Miller who is a student at the Doane-Lincoln campus. We've got five bills on the agenda today: first LB512, LB593, LB438, LB253, and LB410. As I indicated, the senators will be coming in as we speak. Senator Rick Kolowski from the Omaha area is just joining us. And we're still at the point where bills are being introduced by different senators, and so if they aren't here at this time, that's often the case that they're introducing a bill in another committee. If you are planning to testify today, please pick up a green sheet that is on the table in the back of the room. If you do not wish to testify but would like your name entered into the official record as being present at the hearing, there is a form on the table to do that as well and that too will be part of the official record. I ask that you fill out that green sheet in its entirety before you testify, please print, and it's important to complete that form in its entirety so that we do have an accurate record. And as you come up to testify, please give that sign-in sheet to the committee clerk. If you do not choose to testify, as indicated earlier, you may submit your comments in writing and have them read into the official record, but please let us know that that is your intent. And just sitting down is another member of the committee, Senator Tanya Cook from Omaha. If you have handouts for the committee, please have 12 copies for the pages and they will hand them out for you. When you come up to testify, please speak clearly into the microphone. Tell us your name and please spell both your first and last names to ensure we get an accurate record. I ask that you at this time please turn off all cell phones, pagers, or anything that beeps. And if you do have to have a conversation, please take it out into the hallway so as not to distract the testifiers and members of the committee. We will be using the light system for all testifiers. You will have five minutes to make your initial remarks to the committee. When you see the yellow light come on, that means you need to wrap it up. And when the red light blares, then your time has ended. I don't expect this will happen, but I ask that there be no displays of support or opposition to the bill, vocal or otherwise. Okay, with that in mind, we will open testimony on the first bill, that's LB512. Senator Scheer.

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SENATOR SCHEER: Thank you, Senator Sullivan. And I feel somewhat bad because you took my crowd enthusiasm out just with the last comment. (Laughter) I knew this was one that was going to get people really, really going. Good afternoon, Senator Sullivan and members of the Education Committee. My name is Jim Scheer, J-i-m S-c-h-e-e-r. I represent the 19th District in the Nebraska Legislature. I'm here today to introduce LB512 which would allow, but it would not require, the Nebraska State Board of Education to adopt the Common Core Standards. I served on the State Board of Education for the previous eight years and we've been struggling if that was something that we would or could or should do; but it came to my attention that regardless of what the state board thought, they didn't have the technical ability to do so, regardless what they thought. So this is really a...it is probably not a cleanup, it does change something. But it's a technical standpoint where I truly believe that the State Board of Education and the Department of Education have the best ability to deal with the Common Core Standards. That's what they're elected for. They're there to oversee the education of Nebraska's youth in whatever beneficial way they see fit. And I believe it should be within their parameters to do so if they wish to do. I will be the first to clarify that I probably in the last several years have not been that supportive of the Common Core Standards, but I have several reasons for that; but that doesn't diminish the fact that I truly believe that it should be the Department of Education and the State Board of Education that makes that determination, not the Legislature. So that is why I'm here today. The Common Core Standards have been around since 2009. But I will tell you that although the standards have been around, there are no assessments yet available, and it will either be next year or 2015, I'm not exactly sure when they will have their first national exposure; that may or may not have the capacity of saving the state dollars on their testing that they're currently doing. That's yet to be seen because they haven't been priced. So Nebraska nor any other state has any idea what those costs will be compared to what we are spending now on our NeSA tests. But it wouldn't do us any good if they don't have the ability to adopt the Core Standards if we are going to use those assessments. And I believe we have a very good set of standards right now. Common Core may be equal, they may be better in some areas, maybe a little deficient to ours in some others, but I think we have a high-quality set of standards. But if there is deficiencies to be had in adopting those because of national tests that were done by a couple consortiums over the last three or four years, we certainly should put ourselves in a position that we could take advantage of that if we would choose to do so. And I just wanted to make sure that if we chose to do so, the people that were making the decision were those that were in charge of the education of the K-12 schools in Nebraska, and that to me would mean the Department of Education and the State Board of Education. And with that I would close and answer any questions. [LB512]

SENATOR SULLIVAN: Thank you, Senator Scheer. So in other words, if I understand correctly what you've said, it is that your opening the door for discussion of Common Core doesn't necessarily mean we're going to walk through it? [LB512]

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SENATOR SCHEER: Absolutely. I'm not trying to push this in any direction at all. But I do think that we have to allow the Department of Education and the State Board of Education to have the opportunity to at least address those as they now become available with the assessments to see if it makes sense for Nebraska doing it. I don't know if it will or it won't, but I think they at least should have all the tools out on the table available to them when they make that determination. [LB512]

SENATOR SULLIVAN: What in your opinion is the main reason that Nebraska has not, up to this point, adopted the Common Core? [LB512]

SENATOR SCHEER: Well, by statute, Senator Sullivan, the Department of Education and the state board has to renew their assessments and standards, I think it's every five or six years--five, I believe. And when the Common Core came out in 2009, I'm not going to go through the history. I mean, it was not brought forward as they had intended it. It got caught up in a bad economy, and I think the administration saw an opportunity to get quicker buy-in with the use of some funds that would be available if people bought into the Common Core and so they tried to use that as an avenue rather than taking a broader approach and having people work on it. Having said that, my personal position would be, since 2009, it is now 2013, and the last I knew it will be 2015 before the assessments are out. If we had adopted them in 2009, we would have no way to assess our students. We are required by state statute to assess our students. And so it didn't make much sense to adopt a set of standards that there is no assessment to. And so then we're going to use an assessment tool that tests standards that we are no longer using. It just seemed a bad combination. And now that we are getting closer to the point where there could be assessments that are available for those, I think the potential has some areas. There are other reasons, but I would say that is the predominant reason is there was no assessment. And if you've been involved in education, you know you have to have an assessment of a standard to know if you're actually teaching well or not. And without that, they could be great, but there is no way to determine that they were that good. [LB512]

SENATOR SULLIVAN: Okay, thank you. Any other questions? Senator Haar. [LB512]

SENATOR HAAR: Yes, thank you. Could you just give us kind of a 30-second recap on what...not the history, but what is Common Core? [LB512]

SENATOR SCHEER: The Common Core Standards are a set of standards in math, science, reading maybe, not social studies. And they were developed, essentially, by a think tank, what it ended up being a think tank out in D.C., that wasn't the original intent, Senator Haar. It was essentially started that different parts of the United States were going to form little regional areas and work on these cores over a number of years to develop something that everybody sort of bought into. But it got accelerated in 2009,

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and I'm not going to go into that because everybody has their own thoughts on that, but it got accelerated quickly enough that no one...there was a small group that developed them. But they are a set of standards that they believe are high-level rigorous standards that will be available now to everyone on a national basis so that regardless...their thought and intent, which is a laudable one, is if your child is going to school in Alaska or Alabama or in Arizona, they are all going to be taught, essentially, on those same set of standards. And when they graduate, they should all have, essentially, at least the same footprint to start with. [LB512]

SENATOR HAAR: Thank you. [LB512]

SENATOR SULLIVAN: Any other questions for Senator? Senator Kolowski. [LB512]

SENATOR KOLOWSKI: Thank you, Madam Chair. Senator Scheer, what were your first feelings about the Common Core Standards, would you elaborate on the concerns that you had about them when you first heard about them and when they were first available in the country? [LB512]

SENATOR SCHEER: Well, as I said, they were started out to be set up, and I was at a meeting in Chicago at the O'Hare Hilton, if that makes any difference, and there were folks from I'm going to guess 30 states there. And we were supposed to be talking about the implementation or how to get started in the process of developing the standards. And the Governors Association had decided that they wanted to expedite this somewhat. And it was announced at that meeting that there was no longer going to be input, that we were...this group was going to develop the standards. So I thought it really was not...it had already gone astray from its original intent. It's really hard, I think, for a lot of states to buy into a one-size-fits-all if they weren't part of the one-size-fits-all discussion. It was also noted at that meeting that there were going to be the first Race to the Top was announced to those folks at that meeting. That was the first mention of it, and that if you adopted the Common Core Standards, you would get some additional points when you applied for the Race to the Top funding. And I know some people don't believe this, but I was there, and there were several different states that rose...put their hand up to find out where they could sign that they will adopt them to get the points, because you had to sign and adopt them by January 1, and this was in October. And I was sitting next to one of these people and when they sat down I said, how do you know you want to adopt them? They're not, at this point, they truly were not finished yet, were not done. And states were saying: We'll sign up, we want the points. I said: How can you do that? You don't even know what they are. It doesn't make any difference, there is a whole bunch of money out there. And I thought, well, this is the wrong format to use to truly try to develop good and sound standards. Having said that, I'm not here to say that they aren't good standards. But that was the beginning of it. It took the wrong turn, to start with, as far as I was concerned. And then as we got started, we found out that we were adopting standards but we weren't adopting assessments and that those

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assessments were at least a six-year period away. Nebraska, we look at our standards more than every six years. Part of the other problem with the Common Core Standards, since you asked, is at this point in time--which can be rectified, they just haven't yet--is there is no controlling mechanism to them. There is no way to update them right now. They are there; they are formatted; they are available to every state that wants to utilize them, but they don't have a format to now update them. We update ours periodically to make sure that they stay current. They don't have that mechanism in place yet. They probably will, I mean, and maybe they will update those as the new assessments come out, I don't know. But that would be another deficiency that I would see in that. And having been as critical as I have of them, I will still tell you that I believe the right thing to do is to pass this legislation that at least puts the availability of adopting those at some point in time, if they choose to, in the State Board of Education's hands. They are elected to serve the state in determining the future path of the education of our youth. [LB512]

SENATOR KOLOWSKI: Thank you. [LB512]

SENATOR SULLIVAN: Thank you. Senator Davis. [LB512]

SENATOR DAVIS: Senator Scheer. Thank you, Madam Chairman, Senator Scheer, if we don't adopt this, can the state board still go that way if they choose to? [LB512]

SENATOR SCHEER: No. [LB512]

SENATOR DAVIS: This is required for them to do that? [LB512]

SENATOR SCHEER: Yes. In order for them to adopt it, they have to be made effective via statute that they have the authority to do that. That was part of the problem. I think the time that I was on the board, the latter part of the time that we thought and talked about it, we hadn't thought and talked or asked the right people if we had the ability to do that, because we truly didn't. And all this is doing is giving the ability that probably 90 percent of the people thought the State Board of Education had, but didn't. [LB512]

SENATOR DAVIS: And by adopting this, are we giving up any statewide control over educational standards? [LB512]

SENATOR SCHEER: Not by adopting it. Again, this is not promoting or excluding the Common Core Standards. It is just at some point in time, if the Department of Education and the State Board of Education determine they want to look at the feasibility of utilizing those for whatever purpose, cost efficiency, you know, higher more rigorous standards, I don't know what it might be, but by utilizing these it at least gives them the option to adopt those, which they do not have right now by statute. [LB512]

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SENATOR SULLIVAN: Senator Seiler. [LB512]

SENATOR SEILER: Thank you, Madam. Senator Scheer, the five-year deadline on that...or baseline, is that to establish a baseline? [LB512]

SENATOR SCHEER: Um-hum. [LB512]

SENATOR SEILER: And then as I read it, you can modify it any year after that. [LB512]

SENATOR SCHEER: Yep. [LB512]

SENATOR SEILER: Is that your intent? [LB512]

SENATOR SCHEER: That would be my intent. [LB512]

SENATOR SEILER: Thank you. [LB512]

SENATOR SULLIVAN: Any other questions? Thank you. [LB512]

SENATOR SCHEER: All right. [LB512]

SENATOR SULLIVAN: We'll first hear proponent testimony. [LB512]

ROGER BREED: Senator Sullivan, members of the committee, I'm Roger Breed, R-o-g-e-r B-r-e-e-d. I'm the Commissioner of Education. And at great risk to my reputation and my past history with the senator who just spoke, I stand before you to agree with what he said. (Laughter) This is another good idea from northeast Nebraska. I'm sure he has acquainted you with his feelings about that. LB512 would amend the Quality Education Accountability Act. It would give the State Board of Education the authority and flexibility with regard to state standards and assessment instruments. The driver in this process actually is only partially the standards. The main driver will be the assessments that are based on those state standards. That is both the expensive and the time-consuming part of the process. This provides flexibility on how and when to revise standards, gives the state board authority as to whether or not to join a multistate consortium with regard to assessments. And there are two huge consortia developing those assessments, even as we speak; in fact, testing them as we speak. This bill provides more options for the state board in assuring that all Nebraska public schools are implementing and assessing rigorous standards commensurate with the rest of the nation. The State Board of Education and Nebraska Department of Education are supportive of LB512 as presented and urge the committee to send this bill to the floor for eventual passage and implementation. And with that I'll respond to any questions. [LB512]

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SENATOR SULLIVAN: Thank you, Dr. Breed. Is this...are the Common Core Standards and the assessment that is accompanying it ultimately a dynamic process, or are those standards pretty much set in stone and then the assessment is being developed? [LB512]

ROGER BREED: Well, that is one of the questions. Nebraska has been pursuing a standards-based education since the early '90s. And we are yet to find a set of standards that is not in need of revision or updating or so on. Such is the nature of change, I think, in our learning and society. So we would want the standards to be dynamic. And yet, what slows down the dynamics of a standard is when you apply an assessment. An assessment is an expensive and time-consuming thing to develop and you want to get your money out of it to apply it over a period of years. So that's the thing that slows down the revision. But once the assessments are in place, which is, as Senator Scheer pointed out, is probably going to be in 2015-16, and they're going to be based on the Common Core State Standards because 46 states have adopted the Common Core State Standards, then we're in a position to probably employ those Common Core State Standard assessments if we have aligned our standards with the Common Core. Now that doesn't mean you adopt them. There's a big discussion in the Education Committee is what does "adoption" mean? Kentucky actually adopted the Common Core State Standards before they saw them. So we're a little confused as to what that means. We have state standards that our teachers were involved with that we developed according to a system that involved higher education people and educators and parents and community members throughout the state in developing and putting into place our standards. We think that process, used with a good hard look at the Common Core State Standards and a merging of those processes, is probably the best way and the most reasonable way for Nebraska to act. [LB512]

SENATOR SULLIVAN: If it's going to be a merger then, how much flexibility will the state have? [LB512]

ROGER BREED: Well, according to this, the state board retains the right to revise standards as needed. [LB512]

SENATOR SULLIVAN: Okay. [LB512]

ROGER BREED: And I think that is an essential part of this process. [LB512]

SENATOR SULLIVAN: Thank you. Any other questions? Senator Haar. [LB512]

SENATOR HAAR: Thank you. Every time we talk about standards, I sort of get heartburn. Having been a teacher and talking to teachers, you know, at some point it just turns a classroom into teach for the test. [LB512]

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ROGER BREED: Um-hum. [LB512]

SENATOR HAAR: How do you feel about always reaching for new standards and chasing the standards? [LB512]

ROGER BREED: Well, I feel that you don't ever want to have education, the process of education and learning, devolve to just a chase for standards. But you have to have, I think, a core, if you will, that is assured to all students that involves not only standards of reading and math and writing and science, but also a full rich curriculum that includes the arts, it includes opportunities for creativity. And in no way will you hear this commissioner talk about diminishing those. [LB512]

SENATOR HAAR: Amen. Thank you very much. [LB512]

SENATOR SULLIVAN: Senator Kolowski. [LB512]

SENATOR KOLOWSKI: Thank you, Madam Chair. Dr. Breed, would you elaborate on, beyond the Common Core Standards, other academic areas you would like to see expanded and dealt with in Nebraska in the same Common Core kind of way? [LB512]

ROGER BREED: Well, we have underway an initiative to look at fine arts standards. And while these will not be tested standards, they will at least be guidelines and frameworks for school districts to look at their fine arts programs to, again, be part of that full rich curriculum that we expect for all students. In the short term, that's the one that we have underway at this time. But then you get into the area of health, physical education, those will be coming down the pipe in time. But right now your Common Core State Standards deal with math, mathematics, and reading language arts. With science, Common Core State Standards due to come out sometime this year. [LB512]

SENATOR KOLOWSKI: And is social studies planned or not part of this? [LB512]

ROGER BREED: I would think social studies will follow the same process. Well, in fact, I know it will, just later. [LB512]

SENATOR KOLOWSKI: Do you feel the state is losing the sacred local control aspect of what we've always felt very strongly about in Nebraska? [LB512]

ROGER BREED: Well, I don't want us to do that. I think if we adopt the Common Core State Standards lock, stock, and barrel, and simply join in, then we are doing that; we're abrogating our responsibility. I think if we take a hard look at it, and again write the standards in the way that we have traditionally done involving our educators, so that we have the buy-in from the people who are going to have to put them into effect, then we end up with a stronger standard and we've done our duty for our students. [LB512]

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SENATOR KOLOWSKI: Thank you. [LB512]

SENATOR SULLIVAN: Any other questions? Thank you, Dr. Breed. [LB512]

ROGER BREED: You're welcome. [LB512]

SENATOR SULLIVAN: Any other proponent testimony? Welcome. [LB512]

JAY SEARS: Thank you. Good afternoon, Madam Chair, members of the committee, I'm Jay Sears, J-a-y S-e-a-r-s, and I'm representing the Nebraska State Education Association, appearing before you in support of LB512. See, I don't do math standards. (Laughter) The reason we support LB512 is the flexibility piece about standards. We know that standards are changing rapidly; that Nebraska has always had a history of looking at and trying to compare what is the best for our students in the state of Nebraska. And so we see this legislation as being flexible enough for the state board to act as things change, to do the best for our students that we can. And we're not necessarily supporting Common Core, but we're supporting rigorous standards and rigorous curriculum; and that gives...LB512 gives the state board that opportunity to do that as they meet and confer and figure out what is going on in the world of standards. So, that would conclude my testimony. [LB512]

SENATOR SULLIVAN: Any questions for Mr. Sears? Senator Kolowski. [LB512]

SENATOR KOLOWSKI: Thank you, Madam. Mr. Sears, how does this change the look at textbooks and the use of textbooks across the state of Nebraska no matter what the size of the school or the location of the school geographically when you start looking at standards versus what we have done in the past or our textbook selection process or anything like that? [LB512]

JAY SEARS: One of the things that I think is the biggest part of looking at standards is you have a target out there and it doesn't matter what the textbooks say or whether Texas is purchasing that textbook or California or whatever, so that the big states aren't changing our curriculum because of the textbooks that are available and the other resource materials. So I like and focus on standards that we adopt that are preparing our students to go to college or on to the world of work. Having those discussions with higher ed about, you know, are our students meeting the math standards? It doesn't matter what book you're teaching out of. It's can they do the standards that are required to get into higher education or into the world of work. So that's one of the reasons we support LB512. [LB512]

SENATOR KOLOWSKI: Thank you. [LB512]

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SENATOR SULLIVAN: Senator Haar. [LB512]

SENATOR HAAR: Yes, I want to talk a little bit more about my heartburn over standards. Obviously, you talk to teachers about teaching to the test, and...but I've been talking to some students, in particular, my grandkids. And a lot of kids--and they report this from their friends too--look at all this testing as a joke. [LB512]

JAY SEARS: Right. [LB512]

SENATOR HAAR: How do we turn that into something good? [LB512]

JAY SEARS: Well, to answer your question, Senator, what I do is tell my members as a former social studies teacher is I always knew that we wanted to help our students understand the democracy that they live in and how they can take part in it. For the first year I was very dependent upon that social studies book and reading the chapters, you know, so I could be ahead of them. As I got comfortable with realizing it didn't matter what was in the textbook, it was what is the outcome we want for students, no matter whether there was a national test for it or there was a weekly test that I did, it was whether or not students could learn to the standard, the target that we want them to understand and be able and think about. I agree with you. We probably do too much standardized testing that doesn't tell us anything about what is happening in the classroom. That is what we need to avoid. But I always tell my members: You know how to teach, that's why you went to school, you know what the targets are, teach the best curriculum and best lessons that you can, and students will pass the tests. You don't have to cram for them. You need to teach to the standards so that they have the knowledge and skills and can answer any questions that come about. So I encourage people not to teach to the test unless the test is really good. And I haven't seen good tests yet. [LB512]

SENATOR HAAR: But then when you start to get to the point where evaluation and salary and labeling, all kinds of things, get attached to testing. [LB512]

JAY SEARS: And that is unfortunate, because we're focusing on the wrong thing: a score. And I think as you look at some of the legislation, and even, in fact, later on this afternoon Senator Adams has a bill that is the accountability piece, puts in some more flexibility and focuses on that. If we're looking at what is the target we want students to learn and be able to do, and we have the great curriculum and the great people in the classroom, the teachers to teach that, we don't need tests to tell us that. [LB512]

SENATOR HAAR: Okay, well, we'll explore this more later, I'm sure. Thank you. [LB512]

JAY SEARS: Sure, oh yes. Thank you, Senator. [LB512]

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SENATOR SULLIVAN: Any other questions? Thank you, Mr. Sears. [LB512]

JAY SEARS: Thank you. [LB512]

SENATOR SULLIVAN: Any other proponent testimony? Welcome. [LB512]

BOB EVNEN: Thank you, Madam Chair, members of the committee. My name is Bob Evnen, B-o-b E-v-n-e-n. This is the first of two bills that I hope to be before you on today: one dealing with standards, that is this one; and one dealing with accountability, and that actually is the next one. I support Senator Scheer's bill. I am a private citizen now, but until last month I was a member of the State Board of Education and chair of the state board's committee on standards, and so I thought I would just say a few words about Common Core versus Nebraska's standards. The Common Core Standards began as a collaborative cooperative project by a group called Achieve. And Achieve was put together by the National Governors Association. They wanted to see whether we could have a collaboratively, cooperatively produced set of standards that states would be free to adopt or utilize or reject. And that whole process was derailed when the administration said, "and if you want to get funding for education from our administration, you will adopt the Common Core Standards." And that is why, Senator Scheer...that is the environment in which Senator Scheer observed people signing on...states signing on to the Common Core Standards sight unseen before they had even been developed because they were tied to federal money. Well, that sort of derailed the idea that we were cooperatively, collaboratively putting together a set of standards of high quality for people to utilize. Now we really had no assurance about what they would turn out like. Meanwhile, in the state of Nebraska, we have a statutory requirement in the state of Nebraska that the state board reviews standards on a periodic basis. And we also had a process established in our state that brought teachers into the mix in the development of standards; teachers in our state, administrators in our state. We had third parties, subject matter experts that we had our draft standards reviewed by. We had a whole process put together to put together high-quality standards for the children of our state, all while this Common Core business was going on. Now the fact that we concluded that we did not want to adopt, wholesale, a set of Common Core Standards, and they suffer from another potential pitfall as well and that is if the standards are good, then the whole country benefits, but if there is something wrong with the standards, then the whole country is going off a cliff together. So what has, during the course of development, what seems to become apparent over time is that...and I had heard this on the board, and as a chair of the standards committee within the last year or so, is that the math standards, our math standards, compared to the Common Core math standards, there might be something in the Common Core that would help us improve our math standards. Well, I don't think we should just reject things because the process that was utilized to get there was not satisfactory. If there is something substantively helpful about the Common Core Standards, we shouldn't reject

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them just because they're Common Core, just like we shouldn't accept them just because they're Common Core. So I see this as a way of helping us inform ourselves about maintaining high-quality standards for our children and for our students. Without the requirement that we sign on and that we are bound by contract with the federal government to do whatever the Common Core says, that I would oppose. But that is not what this bill does. This bill frees things up a little bit. Now Senator Kolowski made a point that occurs to me, too, and that is you don't...I think this was the senator's point, that you don't want to change standards every...you don't want a standard du jour, because then people don't know what they're supposed to be doing, what they're supposed to be shooting at, what they're supposed to be looking at. And if this period of repose after which standards have been established gets...all of a sudden we have shorter and shorter cycles, it's confusing and difficult for teachers and administrators to address that in a way that Jay Sears just mentioned. And I believe that that's what Senator Kolowski was getting at. So, although the board and the department would have the opportunity to revise standards in a more flexible way, one would hope that they would not do so in a way that resulted in chaos and confusion. And given the leadership of the department and the leadership of the board today, I'm sure that that would not occur. Thank you for your time. [LB512]

SENATOR SULLIVAN: Thank you, Mr. Evnen. Any questions? Yes, Senator. [LB512]

SENATOR KOLOWSKI: Thank you, Madam Chair. Mr. Evnen, thank you for your comments and also I think part of what you're saying is also that if something is a standard but it's substandard for us, we can make it better. And that's an important piece I think we have to remember. If we're not happy with where the Common Core Standard is, we've got a long history of improving upon those things in Nebraska. [LB512]

BOB EVNEN: And we have to retain the flexibility in our state to do so, in my view. [LB512]

SENATOR KOLOWSKI: Absolutely. Thank you. [LB512]

SENATOR SULLIVAN: This may have been mentioned before, but did states have a role in developing those Common Core Standards? [LB512]

BOB EVNEN: Well, the states participated through Achieve, which was the National Governors Association organization. So states have been participating in this. But at the time you were required to sign on or not, they didn't really...they didn't exist. So now that some of these standards have been developed, we have an opportunity finally to take a look at them and make some judgments about whether we think they would be helpful or not. States...the answer to your question is yes, there was state participation. [LB512]

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SENATOR SULLIVAN: Okay. Thank you. Any other questions? Senator Davis. [LB512]

SENATOR DAVIS: You were the chair of the standards committee for the State Department...or the Board of Education, correct? [LB512]

BOB EVNEN: Yes. [LB512]

SENATOR DAVIS: So you have looked at these standards that are coming out; and how do you feel about them? [LB512]

BOB EVNEN: I have not studied the Common Core Standards. I'm not an expert on them and I haven't studied them. There are people whose views, I think, are entitled to some respect, who have suggested to me that the math standards may have some advantages; that is, the Common Core math standards may be something that we ought to look at in our state in certain respects. And so that is the kind of evaluation that I would like to see us give; not we're going to necessarily embrace the whole thing, but that there are elements of it that might improve ours. And you have the whole accountability business. But my light went red a long time ago, so I won't take you into that. [LB512]

SENATOR SULLIVAN: That's all right, that's all right. [LB512]

SENATOR DAVIS: Thank you. [LB512]

SENATOR SULLIVAN: Any other questions? Thank you, Mr. Evnen. [LB512]

BOB EVNEN: Thank you. [LB512]

SENATOR SULLIVAN: Any other proponent testimony? We'll now hear opposing testimony to LB512. Anyone wishing to speak in a neutral capacity? [LB512]

JOHN BONAIUTO: Senator Sullivan, members of the committee, John Bonaiuto, J-o-h-n B-o-n-a-i-u-t-o, registered lobbyist representing the Nebraska Council of School Administrators and the Nebraska Association of School Boards. I would like to give positive neutral testimony which is dangerously close to supporting one of Senator Scheer's bills. (Laugh) And so we agree that the way this bill is written, having the state board have the authority and the flexibility to deal with standards, is the right thing to do. And we work very closely with the state board on these issues. Where the Common Core Standards in this discussion gets a little bit gray is that there has been a federal agenda. And I think that we rely on our policymakers, whether it's the Legislature or the state board to really help make sure that the federal government doesn't stick its nose or become too intrusive into public education into our states. That's your job and the state board's job and local school boards. But I think back to when this current federal

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Department of Education and administration decided to dangle money out to states in the form of Race to the Top grants and the early learning grants; and states lined up. Legislatures were adopting all kinds of things for their state to look good on paper, not necessarily things that they had talked about with schools and were educationally sound for that particular state, but it did meet the federal requirement to qualify for the grant. So, you know, we just want to be cautiously, you know, skeptical about the national tests, national rankings, all of those types of things. Are standards good? Absolutely. Assessments to match the standards: essential; and then having some type of a system to help low-performing schools and students. We need to support teachers more with a curriculum and providing the best possible curriculum to students in their classrooms. So I think that this is a move in the right direction. And then we need to see how it moves on from here as we look at what happens at the federal level. So with that I'll conclude my testimony. [LB512]

SENATOR SULLIVAN: Thank you, Mr. Bonaiuto. What exactly did you mean by a federal agenda, if you will? [LB512]

JOHN BONAIUTO: Well, I think that the Department of Education, the U.S. Department of Education and the feds are doing more with public education than ever before, and it's in the form of money. It's dangling money in front of states. And I know that Commissioner Breed is famous for pointing out the fact that probably in excess of 75 percent of the employees that sit in cubicles at the Department of Education are federally funded. I mean, we...states have helped with this move toward a federal agenda because the feds have the money, they're willing to give it to the states; and when states have tight budgets, they cut general funding for their education department, and so more federal dollars flow in. It's a vicious cycle and it is a concern, because when you have these grants then you have a constituency for that project because you want to keep getting the money. [LB512]

SENATOR SULLIVAN: Thank you. Any other questions? Thank you. [LB512]

JOHN BONAIUTO: Thank you. [LB512]

SENATOR SULLIVAN: Any other neutral testimony? Okay, that closes the hearing on LB512. Oh, I'm sorry. Sorry, Senator Scheer. [LB512]

SENATOR SCHEER: I will waive. I can't say anything anyone else hasn't, so I will waive. [LB512]

SENATOR SULLIVAN: Okay. Pardon me, though. Okay, we will now move on to LB593. I don't see Senator Lautenbaugh in the audience. We'll have...can one of the pages call his office? We'll just stand at ease for a minute and wait until he...hopefully, he will arrive very soon. Welcome, Senator. [LB512]

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SENATOR LAUTENBAUGH: Good afternoon. [LB593]

SENATOR SULLIVAN: Yes. [LB593]

SENATOR LAUTENBAUGH: I never expect people to waive closing, but sometimes they do. Madam Chair, members of the committee, my name is Scott Lautenbaugh, L-a-u-t-e-n-b-a-u-g-h. I represent District 18. And I have brought this, what can be simply described as the charter school bill. I did not enter into this lightly. And I do not expect that this will fly out of committee without amendment, to say the least. But it is possibly a priority bill for this session for me. And let me be very clear, there are people coming behind me who know a lot more about education than I do and I would assume most of you on the committee are similarly situated and that you know more about education than I do. But I think two things. I believe we've fallen behind in, at least, authorizing the concept of charter schools for Nebraska. But I also believe that that may have served us well in that we've seen some that work and some that don't. And the record is not 100 percent clear. It is not a panacea to say we're going to open charter schools tomorrow and our education problems will go away. Some have performed better. Some have performed worse than the existing public schools. Some have muddled along somewhere in the middle without much improvement at all. I think it's important that we take time to think about this and actually try to emulate what has worked, and there are certain examples of what has and what hasn't worked, and try to move forward in some sort of a very limited way. I can't stress enough that this is confined to a public school that is located in a city of the metropolitan class. What we are talking about, obviously, as you all know, is the city of Omaha. I don't see a great need for charters in a lot of the districts that are even within the city of the metropolitan class. But I do believe that we should try them where the need is the greatest. And I do believe that there are schools localized in Omaha that are failing. And I believe that this is an important step because, to be very clear about it, I'm happy that we passed the bill reforming the OPS board. I'm happy that there is a new superintendent coming in; people say wonderful things about him. I hope that this is the start of a great new era at OPS. But one of the things that keeps coming back to me from others is the...okay, fine, we have a new superintendent; we've had a new superintendent before, we have this interlocking directorate of bureaucracy a lot of times overlapping to the point where it isn't clear who is actually charged with doing what, and change doesn't come, doesn't filter down to the school level. Even if you can specifically say, this school, this person needs to go, or this group of people needs to be replaced, it seems like it can't be done. And OPS is full of good teachers that want to teach, and good administrators that are going to do a good job, that much is certain. But this is a very limited concept in that it would be limited to five schools within a city of the metropolitan class, five possible charter schools maximum. And I think it provides an important choice for parents. As you all know, these are not private schools like parochial schools, if you will; these would become little political subdivisions funded with education dollars moving to them

with the students. I've listed in the bill a variety of people or entities that could petition, if you will, to start a charter school. The State Board of Education would be setting rules on them. They can't charge admission. But they also aren't governed by the local school board. And I think people keep asking, well, what's the difference between a charter and a magnet, or a charter and just a regular local school? These entities, if we are going to try them and if we are going to see if they can bring improvement where they're most needed, they cannot be under the control of the local board. I don't have faith, and I shouldn't even say the board, because we don't even know what the board is going to look like in a few weeks here, but I think we need to try something outside the existing administrative strictures of OPS. And I don't bring this lightly, but I also don't bring it as something that we should have done if the OPS bill didn't pass, because I think we are behind the curve on this compared to other states around the nation. And I think this is a very modest attempt to try and see if we can divine what would actually work in a part of town where the students need it the most. And I don't think it's the same. You're going to have other bills dealing with the Learning Community and whatnot, and a lot of you from rural Nebraska or greater Nebraska are going to think, well, this is a day in our life. But when you live in an urban area and you're in a neighborhood where you don't have faith in the schools, you shouldn't have to ride a bus for an hour or an hour and a half both ways to try to get to a school that you have some faith in. And that's not a solution in my mind either, because I'm assuming again that the people that are doing this are not people of great wealth or means and are sending their kids across town to get a quality education. Those parents are probably not going to have the wherewithal to be involved in that school across town as they would a school localized in their own neighborhood. And parental involvement is so important to this process I don't think it's a near substitute to say, well, we let you ride the bus from Bennington to Bellevue, what are you complaining about? And nobody is complaining about Bennington; that's a horrible example. But that said, this is an option. And I don't believe that these need to be thrown up out where I live. I live in OPS. My kids go to OPS. I don't think there is a particularized problem in my part of town. But I think we have to try what we can try. And I just...I hope we don't tolerate ongoing failure ad infinitum. And if this tool can work, I hope you'll look favorably upon it. This sounds like a closing, and it's not meant to be, but, of course, I'm happy to work with the committee and anyone who wants to work on this. But I just think this is an option on a limited basis that should be made available. [LB593]

SENATOR SULLIVAN: Thank you, Senator Lautenbaugh. You alluded to the different entities who could start a charter school. Could you tell me again what you have identified as the groups that could step forward? [LB593]

SENATOR LAUTENBAUGH: Well, they include but they're not really limited to business, corporate entity, two or more certified teachers, ten or more parents. They could be in conjunction with a college, a university, a museum, or similar entity. We didn't try to be terribly restrictive in that list of entities that could apply on the front end.

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[LB593]

SENATOR SULLIVAN: But all of those then, whoever it might be that would come forward to put together an application, they would include, what, a board of trustees? Is that what you... [LB593]

SENATOR LAUTENBAUGH: Yes, that is correct. [LB593]

SENATOR SULLIVAN: That would be the managing entity? [LB593]

SENATOR LAUTENBAUGH: That is correct. [LB593]

SENATOR SULLIVAN: Which then...who do they answer to? [LB593]

SENATOR LAUTENBAUGH: That is a question that...well, certainly there would be standards set forth by the state board as far as who they are; and I think, ultimately, every charter school will answer in some way to the state board as far as performance and whether or not they are allowed to continue. But in my mind I would want the trustees to certainly have representation from the local community. And if not by election, by appointment, by the state board or whatever entity we chose, just something so that the parents feel like they have a vested interest in that entity. [LB593]

SENATOR SULLIVAN: Aside from your own personal passion, I guess, if you will, for this topic, have you actually had some entities step forward and say we'd like to do this? [LB593]

SENATOR LAUTENBAUGH: Well, there are a lot of people who are interested in this. There's a lot of people who have studied it. And so I was almost apprehensive about saying some things work, some things don't, because I was afraid the first question I would get would be, well, what works and what doesn't? There are going to be people coming behind me who have a lot more information on that particular aspect of it. So no, I don't know if I can give you a complete answer at this point. [LB593]

SENATOR SULLIVAN: I guess one of the other things that crosses my mind, because we have to date in this state not allowed or had charter schools, do we need just the broader discussion? I mean, you say that it doesn't apply or maybe it isn't necessary in rural Nebraska, but should the larger question be asked, does it fit for our state? [LB593]

SENATOR LAUTENBAUGH: Well, absolutely yes. I wasn't comfortable coming here and saying what I thought should be done for schools in the Panhandle. [LB593]

SENATOR SULLIVAN: Um-hum. [LB593]

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SENATOR LAUTENBAUGH: I mean, I don't profess expertise regarding OPS. I certainly don't profess any knowledge particularized about the schools in your district, which I recognize is not the Panhandle, but I'm just saying. So, no, I did not want to draft it in that way. If I could have limited it to a very small area of geography and had it make sense and pass muster, constitutionally or otherwise, I probably would have. Just because I don't know...I suppose, hypothetically, the need could exist elsewhere. But I didn't want to presume to say that. [LB593]

SENATOR SULLIVAN: Now that brings me to another clarification. You have identified the metro area as having the capability so that not only could conceivably include OPS but other school districts as well? [LB593]

SENATOR LAUTENBAUGH: Yes. That is not the intent though. It is geographically set forth in that way, but in my mind I would hope that the charter schools would be approved with an eye towards where there is a demonstrable need, and I don't think you would find them springing up in Millard or District 66 or Bennington, and whatnot. Those are not the areas of concern. [LB593]

SENATOR SULLIVAN: Sure, okay. Okay, Senator Avery. [LB593]

SENATOR AVERY: Thank you, Madam Chair. Welcome, Senator Lautenbaugh,... [LB593]

SENATOR LAUTENBAUGH: Thank you, Senator. [LB593]

SENATOR AVERY: ...to this august committee. You need...I need a little help. The administration...or the...you'd have...management would be nonpublic school board members, right? [LB593]

SENATOR LAUTENBAUGH: That's correct. [LB593]

SENATOR AVERY: And the management could come from any sector of society except school boards? [LB593]

SENATOR LAUTENBAUGH: Well, we allude to the fact that they would have to provide or comply with rules and regulations set by the State Board of Education. And as we know from other discussions we've had, I mean there are requirements that I suppose could be set forth regarding those individuals as well. [LB593]

SENATOR AVERY: What is gained by excluding public school boards from managing these charter schools? [LB593]

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SENATOR LAUTENBAUGH: Well, I think...and it's not even really the school board that is the concern. It is stepping outside--I hate the word bureaucracy, but that's the word I'm going to use--stepping outside the structure of OPS. It is...once again, in my heart of hearts the best thing that could happen would be we have a new board come in, a new superintendent come in, and things start to improve. It's not going to happen overnight, I know that. But we've seen what tends to start existing when we work within the existing structure, whether we're talking administrative overseen by the board, but generally just the district structure, in general. This is an attempt to step outside that and try a fresh approach. And I think that's the value of it. [LB593]

SENATOR AVERY: You also know that most of these schools around the country, and there is a growing number, do not hire teachers that are affiliated with the teachers union. Do you envision that, of this proposal? [LB593]

SENATOR LAUTENBAUGH: I don't know what the numbers are nationwide. What we talked about was teachers...we specifically referenced having a leave of absence from their current positions if they would like. But I don't know what the national trend is on that and I don't know what the answer should be to that either. [LB593]

SENATOR AVERY: Would you entertain a policy, for example, of tenure for teachers in charter schools, or not tenured? These are hot button issues that we see. [LB593]

SENATOR LAUTENBAUGH: Beyond a doubt, beyond a doubt. I don't know, honestly, that there would be the need for it in a charter school. I mean, I understand the argument that perhaps there is a need for tenure and the politics of a large organization. These would be, ideally, small organizations and people going to work there as their choice or sticking within the traditional district structure. So the more accoutrements of the existing district that you add, you may step away from some of the benefits of doing this in the first place. [LB593]

SENATOR AVERY: Would you see enrollment completely open to any and all students that might wish to attend? [LB593]

SENATOR LAUTENBAUGH: I've thought about that a number of different ways. And I think possibly geographic limitations; the charter school can draw from this particular area, or the charter school can draw only students from this district; or maybe even possibly if, I'm not sure if this would be workable, but I think it has been tried in other places, even a specific approach regarding need. So I think there are a lot of ways you could address that. [LB593]

SENATOR AVERY: I know in Florida, which is usually held up as the model for charter schools, they have just dozens and dozens throughout the state, the statistics show that about 86 percent of the students in those schools are not special-needs students. As in

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the public schools, the percentage is much, much higher. Would you envision these charter schools cherry-picking students perhaps that never had a disciplinary problems or students that don't have special needs and students that might have a better chance of succeeding, and then pointing to this saying look at our great success after a year or so? [LB593]

SENATOR LAUTENBAUGH: I don't think that would be a wise policy to allow. No, I think we have to compare apples to apples, and if the point of this is to set up schools that can help kids in at-risk areas that are struggling because they're in the at-risk area, I don't think you should exclude on that basis. [LB593]

SENATOR AVERY: These are a lot of the questions that would come up in any debate. [LB593]

SENATOR LAUTENBAUGH: Undeniably. [LB593]

SENATOR AVERY: Yeah. [LB593]

SENATOR LAUTENBAUGH: I think we're debating it now and the questions are coming up. [LB593]

SENATOR AVERY: Well, no, I'm not taking a position. I'm just raising some issues that I think you're aware of, but you certainly have to deal with them. [LB593]

SENATOR LAUTENBAUGH: Yes. [LB593]

SENATOR AVERY: Thank you. [LB593]

SENATOR SULLIVAN: Senator Haar. [LB593]

SENATOR HAAR: Thank you. Was this your handout? The one called Charter School Trap? [LB593]

SENATOR LAUTENBAUGH: No. [LB593]

SENATOR HAAR: Oh good, I was trying to figure out how that would go along with what you're talking about. It talks about why charter schools is a Communist governance. Anyway. You wouldn't agree with that? [LB593]

SENATOR LAUTENBAUGH: No, I would not have circulated that. [LB593]

SENATOR HAAR: Okay. Would the funding of schools like this happen through the same as the TEEOSA formula? [LB593]

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SENATOR LAUTENBAUGH: Well, again, that's another question that would need to be answered, because I envision it...the simplistic answer is the dollars following the students. But there has to be a way to account for any inequities that might develop from that. So that is an open question, I would say. [LB593]

SENATOR HAAR: And then would teachers have to have the same kind of teaching credentials that any other Nebraska teacher has? [LB593]

SENATOR LAUTENBAUGH: Again, that would be another one that would probably be...I would prefer to entrust to the sound judgment of the state board to the extent possible. [LB593]

SENATOR HAAR: And then testing, you know, the first bill here was talking about Common Core. Whatever testing is adopted by this public schools, would the same testing happen in your charter schools? [LB593]

SENATOR LAUTENBAUGH: I don't know how you could do meaningful comparisons to see if it was worth the effort and if the charter school was succeeding without that. [LB593]

SENATOR HAAR: Okay, so you're envisioning the same testing that goes on for... [LB593]

SENATOR LAUTENBAUGH: Yes. At a minimum. [LB593]

SENATOR HAAR: Now testing is not required at the parochial schools or private schools, but this would be the exception that this testing would be required as... [LB593]

SENATOR LAUTENBAUGH: I can see the argument that as these are publicly funded and we're comparing them to public schools, and they are public schools, yeah, we should have some means to compare the performance. [LB593]

SENATOR HAAR: I think that's really an important point, and you just said it: they are public schools. [LB593]

SENATOR LAUTENBAUGH: Um-hum. Absolutely. [LB593]

SENATOR HAAR: Okay, okay, thank you very much. [LB593]

SENATOR SULLIVAN: One...I think in your description of how you see these organized, some charter schools are for-profit, but you're suggesting that these charter schools would be nonprofit. [LB593]

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SENATOR LAUTENBAUGH: I know that there are some done both ways, yes. But... [LB593]

SENATOR SULLIVAN: But you're suggesting nonprofit. [LB593]

SENATOR LAUTENBAUGH: Yes. [LB593]

SENATOR SULLIVAN: So that if a business entity would take the initiative to start one; then they would have to form a nonprofit structure, is that right? [LB593]

SENATOR LAUTENBAUGH: Yes, yes. [LB593]

SENATOR SULLIVAN: Okay. [LB593]

SENATOR LAUTENBAUGH: That would be my preference to keep it with nonprofits. [LB593]

SENATOR SULLIVAN: Okay, okay. And Senator Scheer. [LB593]

SENATOR SCHEER: Thank you, Senator Sullivan. Senator Lautenbaugh, going back to one of Senator Sullivan's first questions, it's as I read the bill, though, the district that we're talking about is a Class V, of which there is only one which is OPS. [LB593]

SENATOR LAUTENBAUGH: Yeah, I think I misspoke. It references the metropolitan class. But it was my intent to also reference the Class V. I just did not see it in my summary, so I thought I had omitted that. [LB593]

SENATOR SCHEER: No problem. So it is geographically OPS. However, I did not see anywhere in here that necessarily the children exclusively had to come from that geographic area. Would that be a correct statement as well? [LB593]

SENATOR LAUTENBAUGH: If that is not explicit or clear in the bill, I think it should be. I wasn't in the...in my mind, if we're putting these in places where there is need, we don't need to bring in students from elsewhere that have their other options already available to them. That would be almost defeating the purpose for some of the students that live in the area of question, if you will. [LB593]

SENATOR SCHEER: Okay. Thank you. [LB593]

SENATOR SULLIVAN: Senator Kolowski. [LB593]

SENATOR KOLOWSKI: Thank you, Madam Chair. Senator, thank you for coming

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today. And I just wanted to clarify one thing I heard and I didn't read it in the bill, but I know it is only OPS, as you stated. And is it only east of 72nd Street, was that anywhere in the bill? [LB593]

SENATOR LAUTENBAUGH: That was my intention, but again I think we may have eliminated that from it as well. [LB593]

SENATOR KOLOWSKI: Okay, just to clarify that because I heard that and wanted to ask that. [LB593]

SENATOR LAUTENBAUGH: Yes. [LB593]

SENATOR KOLOWSKI: And also, are you familiar with the success rate of charter schools on a national basis as to how they are doing overall? I meant, that's a large group of...clustering all kinds of charter schools together, no matter how they were born, where they come from. [LB593]

SENATOR LAUTENBAUGH: Again, I think you could say that the record of charter schools, if you look at them as a whole, is replete with failures; that's undeniable. And again, sometimes there's an advantage not being on the cutting edge. I think it's knowable why some of these entities and some of these schools and some of these statutory schemes have failed, and this is a chance for us to try to embark on what works on a limited basis and see if it works for us. So the success rate I don't think is overwhelmingly positive, to say the least, but I think we can learn. [LB593]

SENATOR KOLOWSKI: Correct. That's my understanding also. [LB593]

SENATOR LAUTENBAUGH: I think we can learn...I think we benefit from the success and failures as well. [LB593]

SENATOR KOLOWSKI: Okay. Thank you very much. [LB593]

SENATOR SULLIVAN: Senator Cook. [LB593]

SENATOR COOK: Thank you, Madam Chair, and thank you, Senator Lautenbaugh. I'm opposed to charter schools, you probably understand that and realize that, for lots and lots of reasons which I won't go into. But I do understand that charter schools around the nation, successful and not successful, many of them have been started through churches, or through the churches. So why is it...it appears in Section 4 to expressly prohibit. Is that your intention with the proposal? [LB593]

SENATOR LAUTENBAUGH: I thought in my own mind while I've...I can see the value of parochial schools and one of my sons did go to parochial school. Bringing in the

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religious element in any way, I wasn't 100 percent comfortable with. I know others would make that case differently. [LB593]

SENATOR COOK: Um-hum. [LB593]

SENATOR LAUTENBAUGH: But that was not something I was hopeful of doing. [LB593]

SENATOR COOK: Okay. I would also say that in my travels among the churches on the near north side and I understand there was some literature distributed among the churches in their parking lots, that the...interestingly, some of the pastors and leaders of those churches were the ones that were particularly interested and had a lot of educators among their members. So I just wanted to kind of put that out there. [LB593]

SENATOR LAUTENBAUGH: Um-hum. [LB593]

SENATOR COOK: It seems the proposal right now, in its current form, just seems a little bit inconsiderate of the audience that you, I think, intend to descend upon and help. [LB593]

SENATOR LAUTENBAUGH: Well, I'm not sure how we are being inconsiderate. I don't think there's anything that would prohibit people affiliated with a church from embarking on this. But again, they would have to meet the provisions set forth in here, but not specifically church run. [LB593]

SENATOR COOK: All right. I was just going by the description in Section 4. [LB593]

SENATOR LAUTENBAUGH: Right. [LB593]

SENATOR COOK: It appeared to expressly prohibit them; and as I said, from my experience. Thank you. [LB593]

SENATOR SULLIVAN: Senator Haar. [LB593]

SENATOR HAAR: Madam Chair, I was just wondering, we had a handout, Charter School Trap, where that came from? [LB593]

SENATOR SULLIVAN: It mistakenly was distributed before...not to be connected...I think there is a testifier coming up that it should be connected with. So I can't tell you at this point where it's coming from. [LB593]

SENATOR HAAR: Okay. No, I appreciate that. Thank you. [LB593]

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SENATOR SULLIVAN: Okay. And prior to that, too, in reference to Senator Cook's comments, just to clarify, there seemed to have been some confusion. There was a phone call that came into my office concerned that...thinking that I had been distributing a flier that was put on some of the windows of cars in the Omaha area, and I wanted to assure everybody that it certainly wasn't me nor anybody from the Education Committee that was distributing those fliers. [LB593]

SENATOR LAUTENBAUGH: Sure. Nor was it me. I'm as surprised as anyone. [LB593]

SENATOR SULLIVAN: Okay, very good. Senator Avery. [LB593]

SENATOR AVERY: My reading of the literature suggests that you can find powerful evidence that these are the best things since sliced bread; and you can find powerful evidence on the other side making the total opposite view. One of the things that concerns me about what I have read is evidence that a lot of charter schools engage in application barriers to screen out students who may not be high performers and they have high expulsion rates. They also...there is evidence of skimming the most motivated disciplined students leaving the hardest to reach behind. What do you have in your bill that would guard against that from developing in the Omaha area? [LB593]

SENATOR LAUTENBAUGH: Again, and I feel like I'm dancing around some of these things and I don't mean to, but as I envisioned this bill, this was the start of a process that would lead hopefully to something we could go forward with. The details of how to prevent those specific ills would probably be best left to rules and regs. I don't know how we would specifically address that in the legislation itself. There may be a way, but I have not contemplated it, to be honest. [LB593]

SENATOR SULLIVAN: Senator Kolowski. [LB593]

SENATOR KOLOWSKI: Thank you, Madam Chair. Senator, in the last five years, when the Learning Community was passed by this Legislature, since that time, within that law, there is a call for focus schools that can be developed. And that didn't...and that piece of the law has been modified from support by three districts to one district; and what we have going on at the current time, the Wilson Focus School in OPS, is one of those products. And it is a focus school as per the outlined legislation through the Learning Community. And it is now being stepped up to Lewis and Clark as a middle school from the elementary experience and also be going to Burke High School as a flow-through, all the way through the twelfth grade, which is how we hope those would come about. At the current time, there is also a zoo school at Henry Doorly Zoo; that's Papillion and the Omaha Public Schools involved in that. And a number of districts are involved in the health science career ideas at the Med Center which are not...the zoo school and the health science directions are not focus schools to date, but they are ideas that we hope will grow into focus school ideas that will be full blown and provide different

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opportunities for students. Do you see the possibility of conflict of the focus school movement gaining strength and momentum in the Omaha area and the charter school ideas coming up at the same time? [LB593]

SENATOR LAUTENBAUGH: No, I think there are many paths. That would be akin to arguing there is a conflict between private schools, parochial schools, and public schools. There are lots of routes, hopefully, to success. And I don't see how those two detract from each other, those two approaches. [LB593]

SENATOR KOLOWSKI: Okay, thank you very much. [LB593]

SENATOR SULLIVAN: Senator Haar. [LB593]

SENATOR HAAR: Yes, since these would be public schools, would certain things like, you know, right now, I don't believe prayer in the schools officially is allowed; would that be allowed in the charter schools? [LB593]

SENATOR LAUTENBAUGH: I had not even contemplated that issue. My supposition would be no. But... [LB593]

SENATOR HAAR: What I'm trying to do is...in my mind there is a list of issues and one says regular public schools and the other says charters, and I'm trying to do checks in those boxes. [LB593]

SENATOR LAUTENBAUGH: Right. [LB593]

SENATOR HAAR: And so that's kind of my approach here. Since they would be rather small, could members of a charter school come to the regular public school and say our kids want to participate in sports or music or whatever? [LB593]

SENATOR LAUTENBAUGH: I hadn't envisioned that, but I know some of the parochial schools do that kind of thing. [LB593]

SENATOR HAAR: Right. And that's... [LB593]

SENATOR LAUTENBAUGH: Absolutely. [LB593]

SENATOR HAAR: And the parochial schools are in another whole column over here. [LB593]

SENATOR LAUTENBAUGH: Yes. [LB593]

SENATOR HAAR: And the same would be true, like, of special education. Right now,

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the parochial schools can cooperate with the public schools and to have the public schools providing some of the special ed. Would that be... [LB593]

SENATOR LAUTENBAUGH: Possibly yes, on that one. [LB593]

SENATOR HAAR: Okay. [LB593]

SENATOR SULLIVAN: Any other questions? Thank you, Senator. Will you be here for closing? [LB593]

SENATOR LAUTENBAUGH: Yes, I will. [LB593]

SENATOR SULLIVAN: Okay, thank you. We will first hear proponent testimony for LB593. Welcome. [LB593]

JIM VOKAL: (Exhibit 1) Good afternoon, Madam Chair and fellow senators. My name is Jim Vokal, J-i-m V-o-k-a-l, and I'm the executive director of the Platte Institute, a Nebraska-based nonpartisan free enterprise think tank. I'm here today to support LB593 which would allow the formation of public charter schools in Omaha, Nebraska. Nebraska has a strong tradition of parent-controlled education. It is home to the 1923 Supreme Court ruling in Meyer v. State of Nebraska, affirming the right of parents to control their children's education. However, Nebraska is one of the few states without a charter school system which would greatly improve the ability for parents to continue to control this aspect in their children's lives. Public charter schools combine the accountability and oversight of traditional public schools with the flexibility of private schools. A charter school system would give parents the ability to have more influence not only in where their children go to school, but also where they are learning, what they are learning, and who is teaching them. Charter schools give teachers the flexibility to teach the curriculum that they deem to be the most effective. This ability has given rise to a wide variety of schools that focus on back to basics, career technical training, college preparatory, and math and sciences. Charters are not hampered down by the bureaucracy of public education system which rarely sees much change. This educational autonomy also brings with it accountability. Public charter schools are held accountable for meeting the terms of their performance contracts, which detail the charter school's mission, program, goals, students served, financial plan, and assessment methods. If a charter school doesn't perform up to its standards, it will close. Many parent see the benefits such as the implementation of new teaching methods, greater accountability, and the ability to attract program-specific donors that can lead to benefiting not only their children, but also the community. Further, charter schools get results for a fraction of the cost. Freed from the cumbersome regulations, charter schools do not maintain costly bureaucracies or operate under inefficient procurement, hiring, or labor practices. Charter schools must use current year budgeting practices, receiving funds in real time for students...I'm sorry, real time for

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students, not those enrolled in previous years. Operating this way helps make charter schools leaner and more efficient; and on average, charter school funding amounts to 61 percent of what the traditional public schools receive according to the Center for Education Reform. Thus, charter schools could save an estimated \$3,000 per student in Nebraska. Distributed among its smaller traditional public school student population, those savings would increase per-student funding as well as easing overcrowding, help reduce districts' facilities costs. More important, charter schools typically educate students that would otherwise...may be otherwise at risk of dropping out, which costs Nebraskans a sizeable amount per student. The Platte Institute recently published a policy study, "Comparing Public and Private Schools in Omaha." In the report, a 2009 survey by the Friedman Foundation showed that approximately 90 percent of Nebraskans attend public schools, but only one in five parents surveyed will send their children to public schools, given other alternatives. In the study we found like the rest of the state of Nebraska, Omaha voters, across political lines...parties, support school choice options and policies that help parents access those options. You can read more in the policy study that has been given to you as part of this testimony. Nebraska is in a unique situation. If passed, we will be able to model our charter school policies and legislation and practices on the best charter schools in the country. Competition only strengthens the entire environment. In conclusion, the Platte Institute believes LB593 is the right step forward for the education of our state's children. [LB593]

SENATOR SULLIVAN: Thank you, Mr. Vokal. Appreciate your comments. A couple of comments just to raise some questions in my mind. You talk about charter schools having the ability to be more flexible outside of the bureaucracy. Can you expand on that a little bit? [LB593]

JIM VOKAL: The board governing the charter schools, typically, a charter...a management organization made up of different compositions per charter school have the ability to more directly affect the curriculum of the charter school in comparison to traditional public schools. [LB593]

SENATOR SULLIVAN: In Senator Lautenbaugh's legislation, he talks about the fact that there are a number of different entities that could form a charter school, whether it's parents or teachers or a business, all governed or managed by a board of trustees. So it doesn't necessarily mean that parents would necessarily have more direct control. It still depends in part on the entity that is forming the school and the board of trustees. Is that right? [LB593]

JIM VOKAL: That is correct. But in most cases, or in many cases across the country, those charter school managing organizations are comprised by parents of the school. [LB593]

SENATOR SULLIVAN: You made the comment that we're missing the boat, so to

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speak, in ensuring that we're reaching out to most at-risk students. How do you think a charter school would ensure that that doesn't happen? [LB593]

JIM VOKAL: It gives those parents and those families with students that are struggling, another school choice option, which as the survey in our policy study handed out shows, gives another school choice option in the environment for parents to choose with their children. [LB593]

SENATOR SULLIVAN: In the survey that you did, parents indicated they like other alternatives. Did they specify beyond charter schools what those other alternatives might be? [LB593]

JIM VOKAL: Yes, Senator Sullivan. Other options that had wide support also included tax incentives and the voucher system. [LB593]

SENATOR SULLIVAN: Okay. And then you also indicated there would be a cost savings, did I hear you say \$3,000 less or...? How did you arrive at that? [LB593]

JIM VOKAL: Yeah, the board of...yeah, the Center for Education Reform in the 2009 study based on the public budget on state funding for traditional public schools estimates because of the practices of hiring, procurement, programs, they estimate that the...specifically, I believe, it's a comparison of about \$10,700 for a public school student to approximately \$7,000 for an average charter school student across the country. [LB593]

SENATOR SULLIVAN: Thank you. Senator Cook. [LB593]

SENATOR COOK: Thank you, Madam Chair. Thank you, Mr. Vokal, for joining us today. During your testimony you described a link between the labor practices evident in public schools and student achievement. Would you say more about that? Is your organization typically in support of educational labor groups? [LB593]

JIM VOKAL: Traditionally, based on the research that our organization has done, those labor groups tend to be an impediment. [LB593]

SENATOR COOK: In what way? [LB593]

JIM VOKAL: Additional steps, regulations, barriers to parent-controlled education. [LB593]

SENATOR COOK: Can you describe, just give me one example of a classroom teacher or even a classroom administrator being a member of an educational labor union or professional organization, what...how that might be a barrier to that educator delivering

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the knowledge to the student? [LB593]

JIM VOKAL: That is certainly not what I'm saying here today, Senator Cook. [LB593]

SENATOR COOK: Okay. Could you say...explain better what you are saying. [LB593]

JIM VOKAL: I guess let me rephrase the question or make sure I understand your question. [LB593]

SENATOR COOK: Yes. [LB593]

JIM VOKAL: Are you asking if our organization has direct evidence that teachers unions, as an example, are barriers? [LB593]

SENATOR COOK: You said in your testimony, and I don't have a word-for-word testimony, but I'm recalling from your testimony that in addition to bureaucracy you linked...and I did write down the term "labor practices" to one of the reasons why a charter school would be a better option for students, and that is what I'm looking for you to expand upon. [LB593]

JIM VOKAL: Well, and I think it was either Senator Haar or Senator Avery brought up the fact whether or not those teachers that are a part of a teachers union are prohibited in charter schools. Certainly, I'm not here to state either way that our organization or research states that those teachers that are a part of teachers unions should or should not be part of charter schools. And I'm not prepared at this time to give you an example as you're requesting. [LB593]

SENATOR COOK: Of an example of how a labor practice... [LB593]

JIM VOKAL: Correct. [LB593]

SENATOR COOK: ...would be an impediment to learning... [LB593]

JIM VOKAL: Correct. [LB593]

SENATOR COOK: ...the student's learning. [LB593]

JIM VOKAL: Correct. [LB593]

SENATOR COOK: Thank you. [LB593]

SENATOR SULLIVAN: Senator Haar. [LB593]

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SENATOR HAAR: Yes, that was Senator Avery's question. He's...now you show in your testimony and so on that charter schools save an estimated \$3,000 per student. Do you think that if this goes through then and it's publicly funded, that charters schools should be funded at a lower level? [LB593]

JIM VOKAL: No. It's just the cost because of less regulation under the charter school system. The cost per student to educate that child is less based on the research from the Center of Education Reform nationally. [LB593]

SENATOR HAAR: But somehow they're, you know, and that, I guess, is one of the...again I'm working on my little checklist here. If there...this would somehow have to be factored into TEEOSA. So if it actually costs less in a charter school, could we assume then that that would...they would require less funding from the public? [LB593]

JIM VOKAL: Correct. [LB593]

SENATOR HAAR: Okay. And then the collective bargaining, you're not sure whether that's in or out for charter schools. [LB593]

JIM VOKAL: I'm not at a position to state either way. [LB593]

SENATOR HAAR: And who would decide that, do you know? [LB593]

JIM VOKAL: Well, I would assume that would be up to either the Board of Education or up to the managing entity of the charter school. [LB593]

SENATOR HAAR: You mean like the State Board of Education or the local board of ed...the board for the charter school? [LB593]

JIM VOKAL: I would envision and I also would yield to Senator Lautenbaugh; I would yield that it would be the State Board of Education. [LB593]

SENATOR HAAR: Could make a decision on collective bargaining? [LB593]

JIM VOKAL: Absolutely, Senator. [LB593]

SENATOR HAAR: Okay. And then a performance agreement, who would the agreement be made with? [LB593]

JIM VOKAL: It would be made with...between the Board of Education...I mean, I'm sorry, the board of trustees or the CMO of that charter school and with those members of the charter school including teachers. [LB593]

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SENATOR HAAR: Okay. And then just some of the other issues quickly that I asked about. Do you see charter schools as having open enrollment so anybody could put their kids in? [LB593]

JIM VOKAL: Yes, sir. [LB593]

SENATOR HAAR: Okay. The teacher credentialing and testing would be the same as in all other public schools? [LB593]

JIM VOKAL: Absolutely. [LB593]

SENATOR HAAR: Okay. Prayer in the schools. Would the same kinds of restrictions and requirements apply to charters as it applies to other public schools then? [LB593]

JIM VOKAL: That would be my envision, yes. [LB593]

SENATOR HAAR: Okay. Do you know...and who would be making those specific decisions? Because Senator Lautenbaugh was not sure on some of them and would that be up to us as a group then to, do you think, to fill in the check marks, or? [LB593]

JIM VOKAL: I'm not going to speak for the sponsoring senator, specifically Senator Lautenbaugh; this is his bill. But I would envision, I think I can speak, that he agrees that, yes, this committee would certainly fill in some of the gaps. So I'm here today specifically to show that our research that we've done, not only in Omaha, but Nebraska, shows that parents want other choices for their children. And as many senators on this panel today have concluded that there are, certainly, some states that have shown a great success with these, and there are some that, perhaps, have not. But I think it's a unique opportunity for Nebraska and this committee to model after successful legislation, and we'd be happy to partner. [LB593]

SENATOR HAAR: Um-hum. Would you see the...right now, Senator Kolowski brought up some...there is a zoo school now in Omaha and there is also a STEM school, basically, at North High, I know. Lincoln has a zoo school, etcetera, etcetera. Do you see those as choices that parents have, or how does that fit in to this whole system? [LB593]

JIM VOKAL: I would include that, certainly, that that is part...or certainly are options, legitimate options of school choice that currently exist. [LB593]

SENATOR HAAR: But you think there should be more? [LB593]

JIM VOKAL: Sure, absolutely. [LB593]

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SENATOR HAAR: Okay. [LB593]

SENATOR SULLIVAN: Senator Avery. [LB593]

SENATOR AVERY: Thank you, Madam Chair. Mr. Vokal, we (inaudible) talked very much about curricular issues today. But you did mention in your testimony, you used the word "educational control"...or "autonomy," I believe was the word, and you talked about parent-controlled education. Do you see parents shaping the curricula in these schools, or do you see the Department of Education or these management teams in the various schools? Who would be in charge, for example, of the science curriculum? [LB593]

JIM VOKAL: I believe that the board of trustees or the CMO of each charter school which gives, in my opinion and our organization's opinion, the flexibility of parents to have more control and direct access to that curriculum, not the State Board of Education. [LB593]

SENATOR AVERY: So we could have a charter school that would classify global warming as junk science. We could have a charter school that would deny evolution as a scientific fact. Am I right? [LB593]

JIM VOKAL: Well, I certainly see where you're leading and that certainly is a possibility and hopefully is an issue that is addressed by Senator Lautenbaugh and this committee. [LB593]

SENATOR AVERY: (Laughter) Good answer. Thank you. [LB593]

JIM VOKAL: You're welcome. [LB593]

SENATOR SULLIVAN: Senator Davis. [LB593]

SENATOR DAVIS: Just a couple of questions. The first one: You talked about, yes, there would be open enrollment; but how are you going to...how are you going to do that? By lottery, or what...? [LB593]

JIM VOKAL: I'm going to, unfortunately, Senator Davis, yield that question to Senator Lautenbaugh, the sponsoring...right. But it's a valid point. [LB593]

SENATOR DAVIS: I understand, but can you give some history as how it is done in other places then? [LB593]

JIM VOKAL: It is not necessarily a lottery. I'm sure, based on the parameters that each charter school governing body sets, that there is certainly a limitation on the number of students allowed. How other successful charter schools across the country have done

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that lottery system, or lack thereof, I'm not at this point prepared to answer that question. [LB593]

SENATOR DAVIS: Essentially, if you stack your enrollment process in one way you will probably produce an outcome that you select, it's highly possible. [LB593]

JIM VOKAL: Yeah, I...Senator Davis, I certainly agree that it shouldn't be our organization's intent that whatever legislation that may come out of this committee, or to the floor, has any...certainly would prevent any sort of cherry-picking that you may be alluding to. [LB593]

SENATOR DAVIS: And you indicate that 20 percent of Nebraskans would like another option. Why aren't we seeing more private schools being set up all across the state if that's the case? [LB593]

JIM VOKAL: Well, I think that, you know, this study also kind of touches on that, you know, the private schools. I think that the public because...you know, I'm speaking also as a taxpayer too; my kids go to public schools. They're fortunate that they go to a great neighborhood school in Omaha within the OPS district. Not everybody has that choice. But not everybody has the luxury also of paying, in Omaha, I think it's approximately 56 percent of my property tax bill to public schools and have that luxury to write out a check to private schools. And so that brings the whole discussion of, you know, do we need to touch on tax incentives, such as tax credits, that allow more people to attend public schools? But there are waiting lists of public schools in Omaha in certain public schools, and so the demand is there. [LB593]

SENATOR DAVIS: Okay, thank you. [LB593]

SENATOR SULLIVAN: Senator Kolowski. [LB593]

SENATOR KOLOWSKI: Thank you Madam Chair. Just to piggyback on the last statements, on the way your testimony read, only one in five parents surveyed would send their children to public schools; so the 20 percent would only be to public schools, not...and the other 80 percent would be to other alternatives, is that correct? [LB593]

JIM VOKAL: If they had that choices or had the ability to afford private schools on top of the taxes they already paid in the communities. [LB593]

SENATOR KOLOWSKI: Also, Mr. Vokal, on the estimated \$3,000 savings per student, are you looking at K-12 schools when you're talking about alternatives for education in this way? [LB593]

JIM VOKAL: Yes, this would... [LB593]

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SENATOR KOLOWSKI: So, middle schools and high schools would be included in that? [LB593]

JIM VOKAL: Correct. [LB593]

SENATOR KOLOWSKI: And at the middle school level and the high school level, would you (inaudible) the full range of curriculums that would be available at public schools for students; family and consumer sciences, industrial technology, art, all those...secondary...and languages, foreign languages? [LB593]

JIM VOKAL: Absolutely. [LB593]

SENATOR KOLOWSKI: And you'd still have a \$3,000 savings? [LB593]

JIM VOKAL: That's according to the Center for Education Reform which is part of a 2009 study that we did, yes. [LB593]

SENATOR KOLOWSKI: Thank you. [LB593]

SENATOR SULLIVAN: Senator Haar. [LB593]

SENATOR HAAR: Yes. I'm trying to listen really hard here. And following up on that question that in your survey only one in five parents would send their kids to the public schools. [LB593]

JIM VOKAL: If more choices were provided to them. [LB593]

SENATOR HAAR: If more choices. What was the question that was asked? I mean, I just find that pretty incredible. What was the question that was asked to get that response? [LB593]

JIM VOKAL: That was done by the Friedman Foundation. And I certainly can provide that exact question to you, Senator, subsequent to this hearing. [LB593]

SENATOR HAAR: I'd like to see that. [LB593]

JIM VOKAL: I think it would be worthwhile then. [LB593]

SENATOR HAAR: Okay. Now when I asked you the question if they would have to follow all the testing and so on that goes in, and maybe I didn't say curriculum in the public schools in terms of the guidelines that we talked about earlier. You had said...would you say yes to that? [LB593]

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JIM VOKAL: Uh-huh, absolutely, yes. [LB593]

SENATOR HAAR: Okay. But then to Senator Avery, you said no, that they could go off on certain directions if they wanted to. [LB593]

JIM VOKAL: Well, each...and then that's the thing that needs to be reconciled in the legislation is each charter school certainly has autonomy and I certainly agree that those policymakers within this chamber and as a legislative body as a whole certainly needs to address how much autonomy that they would have and also maintain a consistent standard across charter schools. [LB593]

SENATOR HAAR: Um-hum. Well, I'm just curious, in your research this is really interesting because it's a very public service and people are wanting their taxpayer money back to choose. Are there other public services where taxpayers should be given their money back, do you think, to perform services in their own way? [LB593]

JIM VOKAL: Not at the top of my head. [LB593]

SENATOR HAAR: Not right now. [LB593]

JIM VOKAL: Right. [LB593]

SENATOR HAAR: Okay. [LB593]

SENATOR SULLIVAN: One other thing that just occurred to me, when you talk about accountability, do you...would you expect that the charter school would also participate in the statewide testing that we have? And if it's identified that they are low performing...or who makes the decision that the charter school is not effective and they are closed down? [LB593]

JIM VOKAL: Well, that...you know, I would envision that would be the board of trustees or the CMO of that charter school. Certainly there are other options. You could potentially include the Department of Education on that. But the nice thing and the luxury about a charter school is if they're not performing they do close. [LB593]

SENATOR SULLIVAN: Thank you. Any other questions? [LB593]

JIM VOKAL: Thank you, Senators. [LB593]

SENATOR SULLIVAN: Thank you. Any other proponent testimony? Welcome. [LB593]

GILLIAN QUINN-PINEDA: (Exhibit 2) Hi. Good afternoon, Senator Sullivan and

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members of the Education Committee. My name is Gillian Quinn-Pineda, G-i-l-l-i-a-n Q-u-i-n-n-P-i-n-e-d-a, and I am here to testify today in support of LB593. I currently am preparing to be the founding school leader of a new KIPP high school opening this summer in Texas. KIPP is a network of 125 charter schools serving 41,000 students in 20 states. At KIPP, our goal is to prepare all of our students for success in college and life, and our alumni have graduated from college at a rate of four times the national average for low-income students. First, I want to tell you a little bit about myself. Six-and-a-half years ago I moved to Houston as part of the Teach for America core member. I grew up in Omaha. I spent three years teaching at a district school and was named teacher of the year there before I came to KIPP Spirit College Prep. I spent three years teaching at KIPP Spirit, managing teachers, leading the 8th grade team, and managing data for our school. And in four months, I will be the principal of a new KIPP high school. When we are fully grown in four years, we will serve 500 students from one of the poorest neighborhoods in Houston. I'm here because I grew up in Omaha, my family lives in Omaha, my sister is a teacher in Omaha, and I care very much about the city that I consider to be my home. And I believe that all of the children in Omaha, as in every other city in the U.S., deserve a rigorous and world-class education. In Omaha, however, not all of our children are being prepared for success in college. By 11th grade, less than a third of low-income students in OPS are proficient in English; less than 15 percent are proficient in math. These numbers are staggering, especially given what they mean for students' chances of success in college. One of the biggest marks of college readiness is success on the AP exam. A report that came out last week showed that Nebraska ranked 47th out of 50 states in the percentage of students who scored a 3 or better. Only 12 percent of Hispanic and 7 percent of African-American students met ACT college benchmarks in the state of Nebraska. When students enter college unprepared, it has great impacts on their ability to be successful. When college students need to take even one remedial class, they are 20 percent less likely to graduate on time. I know without a doubt based on my experience with KIPP that all students can succeed regardless of their socioeconomic background. However right now, particularly in Omaha, low-income students are not being served. I believe that authorizing the Charter Schools Act will play a significant role in improving Nebraska's educational outcomes for three key reasons. First, KIPP and other high-performing charters have a laser-like focus on results. Teachers and school leaders like myself have the flexibility to immediately respond to students who are struggling. School leaders have the flexibility to use their school's budget in different ways. For example, we can change our staffing model and we can buy resources that our students need immediately. Teachers have more autonomy to innovate in their classrooms while still having the power of a network that provides them with high-quality curriculum resources. Our schools build a culture in which everyone, our parents, our students, and our teachers, operate believing that all of our children can and will learn. And these systems help ensure that KIPP schools reach amazing results. One hundred percent of high school senior classes across the KIPP network have outperformed their district peers on ACT and SAT averages. By the end of 8th grade, 94 percent of our

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classes outperform their local districts in reading and 96 percent in math. Second, sometimes people think that teachers might not be drawn to KIPP, and certainly working in a charter school isn't for everyone. But teaching positions at KIPP are very highly sought after and our hiring process is extremely rigorous. Part of this is that KIPP prioritizes giving our teachers access to high-quality professional development. We host annual retreats, we provide teachers with more rigorous feedback, and we host summits for all of our school teachers to meet. Teachers are excited to work in a school where they are seen as leaders and have more freedom to help shape the school's culture. KIPP also places a heavy emphasis on leadership development. Finally, charters will bring innovation to surrounding districts. We look for partnerships with surrounding districts to share best practices and make sure that every student can learn. I believe that a child's zip code should not influence the quality of their education, and so I ask that you support LB593. [LB593]

SENATOR SULLIVAN: Thank you very much for your testimony. Did I understand you to say that you have an enrollment of how many? [LB593]

GILLIAN QUINN-PINEDA: Across our network, there's approximately 41,000 students. [LB593]

SENATOR SULLIVAN: 41,000. Okay. And how are those 41,000 students selected to participate in this school? [LB593]

GILLIAN QUINN-PINEDA: So KIPP wants to serve low-income students. So, for example, in KIPP Houston we use a lottery process. So all of our recruiting efforts target low-income students and neighborhoods. We take...if we don't reach our enrollment cap, it's first come, first served. If we have more students than we have spots, we move to a lottery and take students on a random basis to make sure that we are selecting students fairly and reaching the students who need us the most. [LB593]

SENATOR SULLIVAN: When Mr. Vokal talked earlier, I asked him about the flexibility that's afforded through a charter school. Can you speak to that in terms of what makes your school more flexible than the traditional public school? [LB593]

GILLIAN QUINN-PINEDA: Um-hum. So KIPP operates on five pillars, and one of those is the power to lead. And what that means is that we have more power in our schools to individualize our curriculum for our students. So for example at the high school I'm opening, my students are coming in very low in writing. The state of Texas doesn't require a writing class, but I have the freedom to make sure that all of my students take four years of writing because that's what they need to be successful. Part of that is because school leaders are empowered to make those decisions. Part of that is because we have more time and so we're able to give our students more because they have a longer school day and a longer school year. [LB593]

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SENATOR SULLIVAN: So how long is your school day and how long is your school year? [LB593]

GILLIAN QUINN-PINEDA: It varies around the states. I can only speak for myself in being specific, but in general all of our schools have a longer year and a longer day than neighboring districts. At my school, the hours are 7:30 to 5:00 and our school year is extended so we have a two-week mandatory summer session for all of our students. [LB593]

SENATOR SULLIVAN: Thank you. Questions? Senator Cook. [LB593]

SENATOR COOK: Yes, thank you, Madam Chair. Thank you for coming. I understand, I learned about KIPP and Teach for America over the years and have done quite a bit of policy research in this area in a previous life. Tell me about, this is what I'm kind of confused about, you're describing all of the resources and opportunities that you have through the KIPP network. The proposal, and I recognize that it's probably a work in progress, does not mandate that these are all going to be KIPP network schools. Am I correct? [LB593]

GILLIAN QUINN-PINEDA: Yes, ma'am. [LB593]

SENATOR COOK: So let's say ten parents get together and start their school. There's nothing, at least in this current version of the proposal, that is going to identify these same kinds of...the same level of rigor and structure and all the things that you've identified and that are available through KIPP and Teach for America. Is that a correct statement? [LB593]

GILLIAN QUINN-PINEDA: I do think that it's up to the Legislature and this committee and the state board to make sure that there are structures in place to make sure charter schools are successful when they come here. That being said, I think there are a lot of resources that charter networks share, and so I think there's ways to make sure that whatever charter school opens, it can access that network of support. [LB593]

SENATOR SULLIVAN: Senator Kolowski, did you have question? [LB593]

SENATOR KOLOWSKI: Thank you, Madam. I appreciate it very much. My first question is just one directly to the foundation, the KIPP organization. Is it backed by any particular group or company, or how did it come into being and who's...where's the funding source for KIPP, please? [LB593]

GILLIAN QUINN-PINEDA: So in 1994, two teachers founded KIPP and they began looking for ways to replicate across the country. The original donors were Doris and

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Don Fisher, and since then we've expanded to include a number of donors across all of our regions. There's a central organization called the KIPP Foundation that provides support to all of the regions across the country, and they share resources that are financial and also in terms of professional development and leadership development. Individual regions do their own fund-raising. So it's also done on a very local level. [LB593]

SENATOR KOLOWSKI: Okay. And who are some of the major backers of the foundation? Could you elaborate on that? [LB593]

GILLIAN QUINN-PINEDA: I don't know that I'm the best person to answer that question only because I work in one region. I know that two original names that sponsor our leadership development, for example, are the Miles family and the Fisher family. [LB593]

SENATOR KOLOWSKI: Okay. Are there any large corporations backing any of this that you know about? [LB593]

GILLIAN QUINN-PINEDA: Not that I know of. [LB593]

SENATOR KOLOWSKI: Foundations from them? [LB593]

GILLIAN QUINN-PINEDA: Not that I know of. [LB593]

SENATOR KOLOWSKI: Okay. The second question, the excellent description you gave, and congratulations moving on to a high school principalship. Having spent a decade and a half in that capacity before I retired, I just...I wish you well in that. But I wanted to ask you, as you described all of the things you're doing--the extended time, the autonomy for decision making, the power and ability to select staff and do your curriculum in your particular way--if all schools had that ability within a district to work loosely connected to but also strongly independent in the sense of their own decision making and what they're trying to do as far as improve student performance, looking at the rigor and the relationships and the relevancy of what they're doing in their whole school day and school year, do you think all schools could respond better if they had some of the same latitude that you have? [LB593]

GILLIAN QUINN-PINEDA: I think it's possible, but I also think there's an influence of having choice. And so I think when parents have a choice for their children, which not all parents do, and when parents are able to select between two great schools, those two schools are going to encourage each other to be better. And so I think there's kind of that dynamic of, I guess, competition that can help create better schools for everyone. [LB593]

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SENATOR KOLOWSKI: Okay. Thank you. [LB593]

SENATOR SULLIVAN: Senator Davis. [LB593]

SENATOR DAVIS: So can you give me an idea of the number of students in the Houston school system? [LB593]

GILLIAN QUINN-PINEDA: Um-hum. So within KIPP Houston, we have 22 schools. Our goal is to be by 2030 about 10 percent of the HISD district. And so I don't have the exact numbers but that's what we're working towards is to be a school system that's 10 percent of the children in the city of Houston. [LB593]

SENATOR DAVIS: And the staffing that you have, are they working under the same contractual relationships as other staff in the city of Houston? [LB593]

GILLIAN QUINN-PINEDA: It's different. So our employees are at will, but we still follow the same employment guidelines of the state of Texas. [LB593]

SENATOR DAVIS: So Texas is a right-to-work state obviously. And what about the costs? Any idea on the costs as opposed to regular city schools? [LB593]

GILLIAN QUINN-PINEDA: So right now there's a lot going on in the state of Texas regarding funding of schools, but in general, charter schools operate with less funding than our district schools. Part of that is because we don't receive facilities funding, part of it is because we have a longer day and are operating with the same per-pupil funding. So there's a gap between us and then the district schools. [LB593]

SENATOR KOLOWSKI: Okay. Thank you. [LB593]

SENATOR SULLIVAN: Senator Haar. [LB593]

SENATOR HAAR: Yes, thank you. Well, in Nebraska we don't give facilities funding either. And we heard earlier, and there's a chart in this one booklet that going to a private school in Omaha saves the Omaha taxpayers \$11,000 a year and so on. So just on the basis of the savings that are available, do you think the charter schools should get less public funding? [LB593]

GILLIAN QUINN-PINEDA: I guess what I believe is that the way education is currently funding, our students...I guess I just don't think that I'm the right person to answer that necessarily, but I also do think that it's important to make sure that all schools whether they're public charter schools or public district schools are funded in a way that makes sure students have the resources they need to be successful. And whether that means equity or whether that means some difference depends on the situation in the state and

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how well schools are funded. [LB593]

SENATOR HAAR: I mean, these are really the kind of questions that we need to be asking. I saw on educational television there was a program about...I think it was on the evening news about a school in California where I think they're doing a lot of charter schools, but they didn't offer art and they didn't--the arts, music and so on--and they didn't offer P.E. Do you think it should be up to the state, the state of Nebraska in this case, to say you have to offer those things because we think it's important to children's health and the children's soul to have music and art and P.E. and so on? Or is that...should that be completely up to the local school board, the board of the charter school? [LB593]

GILLIAN QUINN-PINEDA: So I think that there are certain things that should be set out by the state to make sure that all children have an equitable education that prepares them for success. I also think at KIPP in general we believe it's an and. So we believe our students get more time and core classes, but we have a responsibility to provide them with the extracurriculars that will prepare them for success in life. And so I think it's up to the state to determine the best way to make sure that all students are getting those things. [LB593]

SENATOR HAAR: So that would be an appropriate thing if we...if we feel that's important for the state, for our children in the state that we require P.E. and the arts, that that would be legitimate in putting this together. [LB593]

GILLIAN QUINN-PINEDA: I mean, I think if you look at graduation requirements for high schools, it's important to make sure that students are prepared for college admissions, and most colleges do require some extracurriculars. So to me it makes sense to expect schools to prepare their students to get into colleges that require that. So I guess, yes. [LB593]

SENATOR HAAR: Okay. What happens in one of your schools if the teachers decide to organize? Or maybe you don't have collective bargaining laws in Texas. I don't know. [LB593]

GILLIAN QUINN-PINEDA: Well, Texas is a little bit different. But in general... [LB593]

SENATOR HAAR: Yeah, it is (laughter). [LB593]

GILLIAN QUINN-PINEDA: But in general KIPP is neutral on unions. And so it's up to the school leader and the school and the teachers at that school to make the best decision for them. [LB593]

SENATOR HAAR: Are there any of your schools that are unionized? [LB593]

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GILLIAN QUINN-PINEDA: Our schools in Baltimore are organized and a school in New York briefly organized and now the union has left that school. [LB593]

SENATOR HAAR: But in Texas? [LB593]

GILLIAN QUINN-PINEDA: No. [LB593]

SENATOR HAAR: Not in Texas. And then we heard this 1 in 5 parents would send...only 1 in 5 parents would send their kids to the public schools. If Texas has a law and all the other states have laws that support charter schools, why hasn't it really just shut down the public school system? [LB593]

GILLIAN QUINN-PINEDA: I don't think that's the charter school's goal. Our goal is to make sure that every student has access to a high-quality education whether it's a district school or a charter school. I do think there's a high demand in Houston, in particular, for charter schools. We have a wait list for KIPP Houston which is why we're trying to grow from 22 to 55 schools to meet that demand and to make sure that all students have access to a quality education. But I do think that when charter schools get better, the district schools near them tend to adopt some of the best practices. We've seen that in Houston, and the end result is that all students have access to a better education. [LB593]

SENATOR HAAR: Just in your experience in talking to parents, do you think it's that high or that that's correct, only 1 in 5 parents would send their kids to public school? [LB593]

GILLIAN QUINN-PINEDA: I don't know about the number, but I do know that every parent I speak to wants what's best for their children, and they'll do whatever it takes to make sure that their kids have access to a great school. [LB593]

SENATOR HAAR: And then you mentioned about high-needs kids; and we really see this, of course, in Omaha. And Senator Lautenbaugh's bill is really aimed at that. I mean, kids are behind all the way along in some of the schools. I believe a lot of that has to do...we now know that...the science tells us that, for especially in high-risk families, we need education like an Educare program in Omaha that starts at six months old. Just as an educator, do you think that across the board we ought to probably raise taxes to provide preschool to high-risk families so that when they get to kindergarten, then they're going to perform at level, which would solve a lot of the problems that charter schools are trying to deal with? [LB593]

GILLIAN QUINN-PINEDA: In general, raising taxes is not normally the thing that I would say. But I do think that it's really important to make sure that we use our funding to

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make sure that our kids have access to a high-quality preschool program. Studies show that students entering kindergarten, who don't have that same access and who don't live in homes where there's a broad use of a big vocabulary, struggle. So I think it's important to make sure all of our kids have access to that. [LB593]

SENATOR HAAR: Do any of the charter schools you're aware of provide...are you familiar with the Educare program in Omaha? [LB593]

GILLIAN QUINN-PINEDA: I've heard of it but I'm not familiar. [LB593]

SENATOR HAAR: Well, and they're starting one in Lincoln, founded by the Buffett Foundation basically, by Susie Buffett, Sherwood Foundation at this point and some other groups. But they take kids at six months old from high-risk families. They do involve the parents, that's part of the choice of coming to that school, the parents have to be involved. And the kids come to kindergarten at level. Do you know of charter schools that do that same thing of starting kids really, really early? [LB593]

GILLIAN QUINN-PINEDA: So the Harlem Children's Zone in New York has blanket services for families. Within KIPP Houston, we start at pre-K three. So we start with three-year-olds and keep them all the way to 12th grade. And we also have started offering health programs at cost to our families working through different state programs, so we're able to make sure that our kids have access to behavioral health systems and dental programs. And then we're just starting to expand that because we do think that's something that's really important. [LB593]

SENATOR HAAR: Does the Texas public funding then cover that preschool? Because in Nebraska it doesn't at this point, at least as far as I know it wouldn't cover preschool funding of any kind really to any extent. In Texas, is that preschool also covered by public funds or... [LB593]

GILLIAN QUINN-PINEDA: I'm not 100 percent sure, but I know some of our schools partner with Head Start and that helps to provide those programs to our families. [LB593]

SENATOR HAAR: I'd be more interested in that. And I have a son that lives in Dallas, so I'm particularly interested in what goes on in Texas. So thank you very much. [LB593]

SENATOR SULLIVAN: Thank you for your testimony...oh, excuse me, Senator Avery. Sorry. [LB593]

SENATOR AVERY: Thank you, Madam Chair. Texas has a long history of being involved in the content of textbooks in high schools. You have a citizens group--I won't

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name names--who actually have tried to even extend their influence beyond Texas. How do you determine what you're going to teach in the classrooms in these charter schools and what kind of textbooks you're going to use? And how much influence do you give to parents? How much emphasis to you give to science? [LB593]

GILLIAN QUINN-PINEDA: So that's a good question. At our school, we look at the college board standards, we look at the Common Core Standards, and then we also look at our state standards in deciding what we're going to teach. Because we know that our goal is for all of our students to be college ready on the ACT, so we have to be teaching to those standards to make sure our kids are ready. STEM education is a big part of what we do. Next year at my school, my students will have three hours of STEM education everyday, which is a lot more than at other schools. And that's part of our belief that students need more time in the STEM classrooms to be prepared for careers that are hiring right now. As far as textbooks, that's a school decision for KIPP Houston. And so we look at the approved textbooks by the state and are able to make choices there. [LB593]

SENATOR AVERY: So you would use essentially the same textbooks that a district school would use. [LB593]

GILLIAN QUINN-PINEDA: Yeah, and then we supplement those by buying novels and class sets of different readings to make sure our kids have the reading material that they need. [LB593]

SENATOR AVERY: Thank you. [LB593]

SENATOR SULLIVAN: Any other questions? Thank you for your testimony. Any other proponent testimony? Hello, again. [LB593]

BOB EVNEN: Madam Chair, members of the committee, my name is Bob Evnen, B-o-b E-v-n-e-n, and I can say in summary that I support Ms. Quinn-Pineda. I thought that her outline of what the KIPP program offers to students on a charter basis was rather compelling. From the standpoint, again speaking as the former chair of the accountability committee of the state board, what we look for in accountability is that high-achieving schools stay there, that schools that are not enjoying high achievement take steps to improve over a period of time. What can you do next year that will help you do better than this year, so that we get a stairstep of improvement in schools that are not achieving up to what we would hope and expect. One of the questions that we asked ourselves is, what do you do if you have a circumstance of a school where after a period of time you don't have the kinds of increases, the achievement rates are low and you're not seeing any growth or improvement either. What do you do? And it seems to me that if the state authorizes charters, if the state...if this Legislature, this committee and the Legislature adopts charter legislation that will enable the formation of charters

on a rational basis, that this provides an option rather than requiring students to continue to attend schools that are not serving their needs and that their parents and guardians believe are not serving their needs. The KIPP option is, in my view, a beautiful one. And, Senator Kolowski, there's a...I was just looking at this, these little devices that contain so much, there's a book that's been written by...about the two founders of KIPP schools. It's called Work Hard. Be Nice. The founders, these two young men who were in Teach for America and then went off to their life's work of trying to address the needs of kids who were struggling in school, found financial backing from the family that Ms. Quinn-Pineda just mentioned. And if I'm not mistaken, they were the founders of the Gap clothing chain; and having enjoyed some pretty substantial success, decided they wanted to give back, and this is where they found the place was to do it. The achievement of the KIPP schools is remarkable. And they proved able to scale up. This was the big question. Okay, we have a school here or two in Houston; can you scale up? And the answer is they proved that they can, which is a remarkable thing too. One of the things that's very important if you're going to have charter legislation is that it be chartered at the state level, that is that the State Board of Education, the State Department of Education, have the authority to charter these schools rather than at the local district level. That's proved out. That's one of the things we've learned about charters over the last 10 or 15 years and that's a great advantage that we have right now. We can take a look at what has worked and what has not in terms of enabling legislation for charters and in terms of enabling legislation for charters that turn out to have been successful. So I note that my former colleagues on the board have voted to oppose this bill. I think that for at least a couple of them, they oppose...they like the concept but oppose the bill because of some of the specifics. My view is sort of the flip side of that same coin. I like the concept and I support the bill even though I'm not sure that it's ready for prime time in terms of adoption in its current form. So I hope the committee will give favorable consideration to this bill, work on it sincerely and in good faith to put another tool in the toolbox for the children of the state. Thank you. [LB593]

SENATOR SULLIVAN: Mr. Evnen, you said that perhaps it's not quite ready for prime time yet. If Nebraska were to even entertain the notion of charter schools, where is the best place to start? With an almost what boils down to going to a high-need area but still having the Department of Ed develop all of the rules and regs, or where is the best place to start? [LB593]

BOB EVNEN: Well, the idea is...all right, so let's say that you have decided conceptually that you'd like to have a charter option in areas of high need. How do you develop it? The first question is the way that I would look at it is to say for people who operate charter schools successfully, number one, let's identify where are those people. I personally, as you can probably tell, believe that KIPP is one of those places. What do you need in order to operate successfully? What do you need from the standpoint of a regulatory environment in order to operate successfully? And one of the things, for

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example, that I think we would hear, again just based on the experience of other states, is we need to be chartered at the state level rather than at the local district level. And then there are a number of other considerations; for instance, how long are you going to give a charter? What are you going to make a charter subject to cancellation? That is, let's say you give...this bill proposes charters for five years. Is that an appropriate length of time? I think it probably is. But then it also has to be subject to revocation if certain things occur. What are those? Well, again there's a lot of legislation around. And I would say, Senator, that actually there have been some surveys done. There have been surveys done by the Hoover Institute at Stanford of what's worked and what hasn't in terms of charter legislation. And I would turn to those places. The American Enterprise Institute a few years ago did a really excellent survey of the same question, what works and what doesn't. And the thing that...one of the many things that Ms. Quinn-Pineda mentioned and I thought was striking is that this is a situation where a rising tide lifts all boats. Do you know everybody gets better when you have this? Everybody gets better. The noncharter public schools get better and the charter public schools get better. [LB593]

SENATOR SULLIVAN: Thank you. Any other questions? Senator Haar. [LB593]

SENATOR HAAR: Since this is aimed at east Omaha, this current bill, I mean there's so many things going on. There's poverty. So in your estimation would you rank the lower performance overall and the reason people want to get out of the public schools is due to poverty? Is it due to poor teaching? Is it due to bloated administration? Parent choice? What...how would you rank those kinds of things? [LB593]

BOB EVNEN: I don't know the answer. I believe that from my standpoint as a policymaker what I want to do is illuminate this and then see whether there are options that come forward that can help. I'll give you one of the things that I found looking at the data, Senator Haar, was that, you know, the department disaggregates performance data, student achievement data, along 13 different demographic characteristics. And that...gender, male, female, African-American, Caucasian, national origin, Native American, Asians, free and reduced lunch, there are other categories as well. And what I believe this legislation is at least initially aimed at are the areas where holding those variables constant, Senator, where we see schools that are not making the grade compared to other schools who have those same demographic characteristics. And so I don't...I'm not going to be in the blame game, but what I'm looking for then is, all right, who has a good answer to this? Who seems to have an option for this that has uplifted students and their families and increased student achievement in these areas that are persistently challenges for us? And there are some answers here. [LB593]

SENATOR HAAR: Well, the...I look at the...I don't look at it as a blame game but trying to isolate those factors. And for example, you know, Educare again has been really successful. And to get...I guess I watch too much news on public television, but they

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also had a program about a New York school where it was actually...it was maybe even an Educare school, they take the kids very young and bring them up. In kindergarten they're at grade level, and then they can progress through the school system. But it was costing like \$20,000 a year for that kind of system. Shouldn't we be exploring that as well? [LB593]

BOB EVNEN: Well, there are a number of approaches that are being taken to pre-K education in our state and it's a wonderful thing. One of the things when people involved in that who are dedicated to that would come before our board that I would ask is, I would ask them to continue to keep track so that we can study longitudinally how these students do. One of the problems we've seen with some approaches is that while you have a short-term benefit, that it dissipates over time and turns out not to be meaningful. So if you look at something at kindergarten, you can see that people are up to speed, kids are up to speed with their peers. But if you look at that four or five years later, they're not anymore. So what we're looking for are methods that will be long lasting. So we're in dire need of longitudinal studies. And I believe that the people who are involved in delivering these programs, designing them and delivering them, are sensitive to that and are doing that. The other thing that I would observe, Senator, is that I don't think there's enough money in the known universe to be able to substitute for parents and guardians. And so when I...on the one hand I think that the goodwill, the good-heartedness of adults who are trying to provide support and assistance to these young children so that they have a fair and decent opportunity to reach their full potential is really a wonderful thing to behold. At the same time that I see that and feel that way, I also have deep concern that we cannot, through mechanisms of government, substitute for parents and guardians. [LB593]

SENATOR HAAR: Agreed on that. But basically charter schools in the way you've been talking about them are kind of another model for...that the public is funding because it is public money. Do you believe that this will...and I'm sorry to put you on the spot, but do you think that the public ought to be funding what Educare is doing to get to these...as another model for looking at how we can improve the lives and education of children? [LB593]

BOB EVNEN: Well, look, we're spending statewide at all levels of government something like \$3 billion a year on pre-K-12 education in this state. So here's what I do think. [LB593]

SENATOR HAAR: Three billion on preschool? [LB593]

BOB EVNEN: Pre-K to 12. [LB593]

SENATOR HAAR: Oh, right, right. Okay. [LB593]

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BOB EVNEN: What we ought to be fearsome about is spending those funds effectively. We need to look at the most effective, efficient way, the most bang for our buck in terms of the deployment of those resources. So I'm...while I think that it might well be helpful to have that pot of money deployed in the pre-K area, and it is. How much? Compared to what? For which programs? These are the really hard questions. [LB593]

SENATOR HAAR: By the way, my understanding is that the longitudinal studies are out there for such programs as Educare, and maybe not that one specifically, but that the result is lasting and actually results in more kids going to college, less dropouts, less kids going to prison, and all those kind of good things. [LB593]

BOB EVNEN: Well, if they're good...if there's sound longitudinal studies I'd be delighted to see them and I appreciate you mentioning it. [LB593]

SENATOR HAAR: I'll help you. We'll look for those. [LB593]

SENATOR SULLIVAN: Any other questions? Thank you, Mr. Evnen. [LB593]

BOB EVNEN: Thank you, Senator. [LB593]

SENATOR SULLIVAN: Any other proponent testimony? Welcome. [LB593]

RYAN HASSEBROOK: Good afternoon, Senator Sullivan and members of the Education Committee. My name is Ryan Hassebrook, R-y-a-n H-a-s-s-e-b-r-o-o-k, and I'm here to testify in support of LB593. And I thought as I provided some testimony today I just wanted to give you my experience. I don't represent anyone. I am just a constituent actually in Senator Haar's district. And I am the proud product of public education here in Nebraska, and went to the University of Nebraska as well. And it was at that time when I started to understand that there truly is an achievement gap that exists in our nation, but here in Nebraska, particularly in Omaha. And so I applied and was accepted into the Teach for America program, and so then taught high school English in Arkansas in the Mississippi Delta in an area where, you know, poverty, at-risk youth, all the challenges that we see in Omaha were every bit a challenge that I faced where I was teaching. And it was in a town about the size of Crete. And it was there where I really started to develop kind of my perspective on education and some of the challenges that we face and what I see as potential solutions to some of those challenges. And I find that charter schools are one of the solutions. I taught at a school that was about 30 miles from a KIPP school as well, and it was at that school where we had professional development and things like that. And to see the differences in that school versus the school that I was at was one that made me think, you know what, this type of model if used correctly can make a profound impact on the lives of young people. And when I think about the students in Omaha, our children that are not being served, it seems to me to make perfect sense that we would look at all options. And I

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think that charter schools are certainly an option. They may not be the end-all and the cure-all for it, but they're certainly an option that we can use to better serve those students. And so that's why I'm here today. [LB593]

SENATOR SULLIVAN: Thank you for your testimony. Any questions? Thank you very much. Further proponent testimony? Welcome. [LB593]

MATTHEW LITT: (Exhibit 3) Thank you very much. Madam Chair Sullivan and members of the Education Committee, my name is Matthew Litt, M-a-t-t-h-e-w L-i-t-t, and I am the Nebraska deputy state director for Americans for Prosperity, a free-market advocacy group with over 40,000 members statewide. We agree with what has been said about the opportunities that charter schools afford many students across our country. And in the interest of your all time and others who wish to speak on this bill, I'll cut my comments short. We support LB593 because education is foundational for future opportunities in life, and the state of Nebraska must do everything it can to give families that opportunity and to choose the best educational environment for them. From our viewpoint, this bill simply seeks to increase the educational choices for families, choices they deserve to have. You know, this would be a great option for families that do not have the means or desire to send their children to private school or to homeschool them. Public charter schools would only add to the array of educational options families currently enjoy. And finally, in our view, the Charter Schools Act does not take away from the fact that many public school teachers are deeply committed to their students and do a great job. This bill is simply about giving children and their families a chance to find the best education environment possible for them. And thank you for your time. [LB593]

SENATOR SULLIVAN: Okay. Thank you. Any questions? Yes, Senator Haar. [LB593]

SENATOR HAAR: We heard earlier that it costs \$3,000 less a student. Do you think that that ought to be reflected somehow, again, and we're grappling with the TEEOSA formula and equalization and all that sort of thing. So do you think that charter schools should be funded at a lower level because traditionally they operate at a lower level? [LB593]

MATTHEW LITT: I'm not at liberty to...I don't think at liberty or have the expertise to answer that question and I think that's something for you all. And I'm sorry I can't provide you a better answer. [LB593]

SENATOR HAAR: Okay. Well, I've heard two reasons now for charter schools. And one is that...the one that Bob Evnen presented I think was that it produces another model that, you know, it lifts all boats. Okay. You've talked a lot about choice. One of the things that we know really works for kids is this six-month-old to kindergarten kind of funding. That's a model we know works. Do you think there should be public funding for that

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model? [LB593]

MATTHEW LITT: I think if it's in the interest of the state and it's one of multiple options for families to choose for their student, I don't see why it would be an issue. From what I gather from the committee in some of your questions, specifically Senator Haar, is the idea that we need to limit options for families. And I'm not under the mind-set that we have unlimited funds to use to educate our youth, but I think the charter schools need to be strongly considered as one of those options. [LB593]

SENATOR HAAR: Well, you've read me wrong if you think I'm against options. [LB593]

MATTHEW LITT: Oh, okay. No, no, I'm sorry then. [LB593]

SENATOR HAAR: And, in fact, with the Educare schools there are long waiting lists and it's because it's only private funding right now that there are those waiting lists. A lot of parents would like to get their kids into those. So do you think that we ought to provide then probably the additional taxing that would go along with funding those preschools? [LB593]

MATTHEW LITT: You know, I think that's a larger question about tax policy in general and something for this committee and the Legislature to discuss. [LB593]

SENATOR HAAR: Yeah, except that Americans for Prosperity talks a lot about tax policy. So you're saying there would be no position on that or... [LB593]

MATTHEW LITT: I'm saying it needs to be part of a greater discussion about tax policy in our state. And I can't remember who mentioned it earlier about the most effective and efficient use of those dollars. [LB593]

SENATOR HAAR: Probably more dollars in this case if we... [LB593]

MATTHEW LITT: Perhaps, but I don't know that we've looked into that... [LB593]

SENATOR HAAR: Okay. [LB593]

MATTHEW LITT: ...or anybody knows that for certain. [LB593]

SENATOR HAAR: Yeah. Well, I would really encourage your group to look into that because some of these things about education we know. Science tells us the brain starts to develop early, and that if we don't get kids in those first three years, especially in high-risk families. So we do know that and I think it's an important issue to talk about. It's probably going to require more funding of education, but it saves money later on. [LB593]

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SENATOR SULLIVAN: Any other questions? Senator Cook. [LB593]

SENATOR COOK: Thank you, Madam Chair. Thank you, Mr. Litt. [LB593]

MATTHEW LITT: Yes. [LB593]

SENATOR COOK: This is actually piggybacking on something that Senator Haar asked. Americans for Prosperity testifying in support of an education proposal, and then you made an oblique reference to the discussion of tax policy in our state and how that's our job and how we need to be doing that. Why are you here? How does this link back to what your mission is in the Nebraska chapter of the Americans for Prosperity group? [LB593]

MATTHEW LITT: Sure. We have a firm belief that education is foundational for future opportunities in life. You know, we specifically focus on economics and we know education plays a great deal in opportunities people have down the road. So we're interested in students having more choices...or families having more choices for their students. [LB593]

SENATOR COOK: Okay. [LB593]

SENATOR SULLIVAN: Any other questions? Thank you for your testimony. [LB593]

MATTHEW LITT: Thank you very much. [LB593]

SENATOR SULLIVAN: Any further proponent testimony? We will now hear testifiers in opposition to LB593. Welcome back. [LB593]

ROGER BREED: Hello. I'm Roger Breed, Commissioner of Education, R-o-g-e-r B-r-e-e-d, and here to represent the State Board of Education, the Nebraska Department of Education in opposition to LB593. The first thing that needs to be said is I think all of the proponent testifiers and I think all of the people that will come to the podium after me have the best interest of Nebraska students at heart. But long, long ago in this nation we decided on a public school funded by public money and serving a public purpose. Anything that takes away from that overall general mission is in my opinion a backward step. I would offer these reasons for the opposition to the initiation of charter schools. First of all, according to the largest independent and longitudinal study of charter school outcomes completed and released in 2009 by the Center for Research on Education Outcomes, CREDO, at Stanford University, only 17 percent of such charter schools demonstrate gains better than similarly situated traditional public schools, while 37 percent--well over a third--demonstrate results that are significantly worse than similarly situated traditional public schools. Second reason. Significant

options for parents already exist in the city of the metropolitan class--Omaha. These options include, as has been previously been mentioned, unique programs operated by school districts, such as the Montessori schools in Millard or the Core Knowledge school, the zoo school in Papillion and OPS, magnet programs in OPS, the health focus program and the focus school. Secondly, there is open enrollment to whereby literally thousands of students daily are allowed to transfer to different schools than their resident school. There also exists in Omaha a robust system of private and parochial schools. And, finally, Nebraska has one of the most liberal home or exempt school options in the country. Charter schools will add little to this lineup. Third, the assertion that charter schools offer or stimulate innovation is just as false as the assertion that they offer better outcomes. The reality again according to the Center for Research on Education Outcomes at Stanford University is that there is no evidence--repeat, no evidence--that charter schools offer any level of innovation or creative programming that could not be offered or is not being offered in similarly situated public schools. This effort on some level is an attempt to bring the camel's nose under the tent and to privatize public schools. Maybe, maybe not. But when I hear vouchers and tax credits mentioned in the same presentation in support of charter schools, I have to think the camel's nose is sneaking under the tent. So in addition to these reasons, there are significant issues with the bill. And I'm not going to recount all of those, but there's confusion as to whether this refers to the city of the metro class or a Class V school district which are two very different entities. And as a resident of Elkhorn, Nebraska, I can assure you that they're different. The bill allows charter schools to be accredited or approved. This would be the first time ever that public schools would be allowed to meet a lesser accreditation standard, and that is not a high bar. Then there are issues of cost calculations and funding, potential discrimination of students with disabilities, transportation, oversight, all of which create additional burdens and questions for both the school district and the department. And finally, this bill moves accountability away from locally elected and accessible officials. And while I sometimes ponder about having the magic wand of education in my hand, I know I don't have any better answers than locally elected, hardworking local board members. So in conclusion, this is a flawed bill seeking to implement a flawed solution. I respectfully request that the committee give it its due. [LB593]

SENATOR SULLIVAN: Thank you, Dr. Breed. I know you're an open-minded person and I know you listen carefully to what people have to say. And I agree that all the people who comment on this have the best intentions of helping children succeed in the education today that we provide them. But if you listen to some of the frustrations that are expressed that are behind the need or the expressed need for charter schools, what do you think some of those frustrations are and how best do you think we can address them in the public school system? [LB593]

ROGER BREED: Well, I think the frustrations are with overall performance of students in some of our Nebraska schools, and I think that's a legitimate frustration and I think it's

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a frustration that needs to be addressed. But, first of all, we had to come to terms as to what exactly was the failure of those schools. And now we have to begin the process of improving that. Just as Nebraska can have excellent public schools, if we aren't attentive to those and supportive of those, we can have poorer public schools. One of the reasons why KIPP does so well in Houston is Houston ignored its public schools, and they went downhill significantly for a generation. We haven't done that in Nebraska and I don't want to be a part of doing that. [LB593]

SENATOR SULLIVAN: Thank you. Other questions? Senator Haar. [LB593]

SENATOR HAAR: Thank you. [LB593]

ROGER BREED: Are you going to ask me about Educare too (laughter)? [LB593]

SENATOR HAAR: No, I won't. You can tell I'm a big fan when I see the results. [LB593]

ROGER BREED: Yes. [LB593]

SENATOR HAAR: It just doesn't have enough funding. But just to...Senator Seiler; you know, I'm always learning, Senator Seiler, so thank you. But he pointed out that some schools in Nebraska do provide for pre-K education. What are the state rules on that? [LB593]

ROGER BREED: Nebraska, well, we have an allowance of about \$3.5 million a year that we use to issue grants to encourage school districts to begin preschools. Now preschools are generally for older three-year-olds or four-year-olds and the year prior to attending kindergarten. And the public schools can initiate those programs under Rule 11. We do have rules and regs with regard to those. And if they meet Rule 11 rules and regs, then after three years those programs become part of the general fund operating expenditures of the school district and then part of establishing school district need for state aid purposes. It does not, however, address what Educare addresses, which is the zero to three age group nor does it meet some of the higher standards of rigor that Educare puts into place. [LB593]

SENATOR HAAR: Okay. And you started out that by saying grants. And so many of the prekindergarten stuff is still in the grant. [LB593]

ROGER BREED: Right. [LB593]

SENATOR HAAR: You apply for grants for...hopefully you have philanthropists or whatever. [LB593]

ROGER BREED: Yeah. Well, this is General Fund...well, I don't know if it's General or

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Innovation Fund money, Innovation Fund money that provides the early childhood grants that we issue. School districts apply for them. We regulate them. [LB593]

SENATOR HAAR: Okay. I'm noticing from the...I like graphs. And the Platte Institute has in its book here on page 12 a chart showing that for the public school...and this is with racial demographics, Omaha Public Schools, about 19 percent of the students are black, 19 percent are Hispanic, and 52 percent are public...are white, I'm sorry. The private schools, 12.6 percent are black, 8 percent are Hispanic, and 75 percent are white. So if charter schools came in and...I mean, we don't want to go back to segregated schools. How would you at the state level police this kind of thing? Because we certainly can't fund segregated schools. [LB593]

ROGER BREED: Well, you're raising a significant issue and a concern. How do you set that up while you're still respecting parental rights and parental choices and prohibit a return to segregated, you know, all white, all black, all Hispanic schools? That would be one of the areas of concern and one of the areas that I think that we would have difficulty in doing. I can give you a recent example as to why in the discussions of the Learning Community of Douglas and Sarpy County in this body that that was one of the areas to try to go after not necessarily on a racial basis but on a socioeconomic basis to try to have all school districts reflect the general socioeconomic status across the entire community, Douglas and Sarpy County. That would be one strategy that we could employ on a racial basis and so on. But it's a difficult area to deal with because it flies in the face of choice. And if you have true open choice, then you have to accept the good with the bad on choice. And the good could be other opportunities; the bad could be we re-segregate our schools and we create a dual track of education, which I think would produce a far more damaging public policy than anything we have right now. [LB593]

SENATOR HAAR: Good. Well, I appreciate your testimony. Thank you. [LB593]

ROGER BREED: Thank you. [LB593]

SENATOR SULLIVAN: Senator Seiler. [LB593]

SENATOR SEILER: Dr. Breed, does Nebraska have any kind of schools in operation right now? I'm going to give you the example of the Oscar Mayer School in Chicago, have private company back big money in public school system. But it's extended hours kind of like we were hearing from Houston. Are there any experiments like that going on in the Nebraska system? [LB593]

ROGER BREED: Well, none that I'm articulate about. There are some corporations that have somewhat adopted public schools in the Omaha area, and there are active public school foundations which individuals, corporations, alumni contribute to and that fund-raise that provide additional support for things such as you mention. But, you

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know, I come from a public school...I'll be honest with you, I come from a public school background. This is my 43rd year doing this. We need to put the resources into good public school opportunities for all kids in all settings. That's what we should be about. And if we notice that it's a time issue, we should find ways to support that. If it's a facilities issue, we should find ways to do that. Now we've divided that up between the state and the local communities. But if one or the other of us is not doing the job on that, the other ought to call us out. [LB593]

SENATOR SEILER: Okay. [LB593]

SENATOR SULLIVAN: Any other questions? Senator Seiler. [LB593]

ROGER BREED: Scheer. [LB593]

SENATOR SULLIVAN: Or Scheer. (Laughter) [LB593]

SENATOR SEILER: We look alike. [LB593]

SENATOR SULLIVAN: I know. [LB593]

SENATOR SEILER: We look alike. Both from Madison County, what are you talking about? [LB593]

SENATOR SCHEER: That's right. We resemble each other. (Inaudible) the better part of the state. Thank you, Senator Sullivan. Roger, I understand everybody has good intentions, but the fact of the matter really is OPS really has not been able to get much traction in solving the problems within its district. And I don't know that this is the answer. I don't know what the answer is, but to continue to do the same thing without an alternative I don't know is really the functional way to go about this. I agree with Senator Haar. Your pre-K investment is probably the biggest bang for your buck, because Omaha has a large dropout problem but it doesn't start in high school. [LB593]

ROGER BREED: Right. [LB593]

SENATOR SCHEER: It starts at 1st grade or kindergarten because they're not even prepared at that point in time to move forward. So if this isn't the solution, what is or what does the solution look like? Because at some point in time we have to have the map from A to B instead of just continuing to look at where we want to be but no way to get there. [LB593]

ROGER BREED: Okay. Well, I have not been within the Omaha Public Schools, so I cannot speak to their past mind. But I can speak to the things that I've witnessed in the last two years in particular. In the last two years, there has been ownership taken about

the results. There has been a definitive change in the attitude of the administration in the Omaha Public Schools with regard to student learning and with regard to the focus on student learning. I think...and again, you know, as you're well aware, Senator Scheer, that we've just now done the actual assessment and identification and the gapping of that information. And so I think it's time to continue to shine a bright light of public scrutiny and to enunciate clear expectations, but to also trust that the people in Omaha, and you've heard from several of them who came to this podium who want good things to happen to Omaha students, to have that discussion and do it. Again, the key point is there is nothing a KIPP school can do, a Harlem center school can do that a good public school, properly resourced, properly led, can do. And it's time to ask our public schools that are not doing that job at this time to now step up and do it. And if that doesn't happen in the next, you know, generation of students, then, you know, I guess I walk away having failed. But I don't see this solution adding anything to that fray at this point. [LB593]

SENATOR SCHEER: And no disrespect, Roger, but I don't know that we can afford to wait another generation, because my follow-up to you was... [LB593]

ROGER BREED: How long will it take? [LB593]

SENATOR SCHEER: ...how long do we wait to see for those improvements, because at some point in time we have to see some semblance of movement in the right direction. [LB593]

ROGER BREED: Right. [LB593]

SENATOR SCHEER: And we can't continue to blame it either on a different reading program or a different learning system or in-service... [LB593]

ROGER BREED: Agreed. [LB593]

SENATOR SCHEER: ...or whatever the case might be. At some time there has to be results generated that shows improvement in those students' scores. [LB593]

ROGER BREED: Yeah. I... [LB593]

SENATOR SCHEER: So at...give me a ballpark... [LB593]

ROGER BREED: Yeah. [LB593]

SENATOR SCHEER: ...how long of string do we have here, because from my vantage point it's not a generation. [LB593]

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ROGER BREED: Well, the...I'll frame it this way. I think you have every right to expect growth and improvement on an annual basis. They showed that predominantly across the Omaha Public Schools this past year, we anticipate that that will continue this year. The graduation rate is on an upswing. And, again, you've got people here that represent OPS that could talk more pointedly about their efforts than I can. But from a state perspective, they seem to be on the right track. When you start taking away from their momentum by other programs that are on the fringe as this program would be, then I think you lessen the overall impact that a community should have on expecting good things from its schools. And I do want to emphasize that the effort that you're wanting, Jim, to turn around the Omaha Public Schools in a fairly short order requires a full community effort. It requires not only early education, it requires health education. It requires addressing poverty to some extent in our state's largest city. If we really want to impact education quickly and effectively for the next many generations out of the Omaha Public Schools we have got to address those issues as well. [LB593]

SENATOR SCHEER: Thank you. [LB593]

SENATOR SULLIVAN: Senator Seiler. [LB593]

SENATOR SEILER: If I may follow up on that, and I don't believe we as a Legislature ought to be having anything with day-to-day operations of schools. But is there anything in your system that you need for statutory authority that you don't have now to continue the improvement? [LB593]

ROGER BREED: We're going to talk about... [LB593]

SENATOR SEILER: And not just Omaha, I'm talking about the whole state. [LB593]

ROGER BREED: Yeah. The whole state, yeah, because I've been...let me emphasize, Omaha is not the only part of our state that has schools that struggle. I do want to be clear about that. Yeah. There's a bill by this Senator Adams fellow... [LB593]

SENATOR SEILER: Oh. Little guy? [LB593]

ROGER BREED: ...yeah, LB438 that's coming up that I think will weigh in on it, that affords us some opportunities to support, you know, not just call out schools, but actually to support their improvement and bringing forth some resources to do that in a systematic and reasonable Nebraska way. [LB593]

SENATOR SEILER: But you don't have anything that's not been introduced that's pending that you need for...a tool to work with? [LB593]

ROGER BREED: Again, other than...yeah, other than that magic wand that I could

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make every community, you know, a healthy, happy place. [LB593]

SENATOR SEILER: Yeah. I wish you had it. I wish you had it. [LB593]

ROGER BREED: I do too. [LB593]

SENATOR SEILER: Thank you very much. [LB593]

ROGER BREED: You bet. [LB593]

SENATOR SULLIVAN: Any other questions? Senator Haar. [LB593]

SENATOR HAAR: Yeah. We've seen the last of his bills for the year, by the way. But there are two things that just got brought up. One is authority and the other is funding. So as you see it, and then we're fortunate to have you at the top of our leadership in the state, and we have to make this decision, where to put the funding, where to put the funding, and it may require additional funding. To solve some of these problems I heard you say we shouldn't invest in charter schools. Okay. But where should...a smaller class size, a public Educare system, better trained teachers? If we had to decide where to put more money into this system or where to put more emphasis, where would you say we should put it? [LB593]

ROGER BREED: Well, I would always look at two areas. The first is, you know, and the young lady from the KIPP institute I thought said it very well that it is teachers ultimately that intersect at that point where quality learning occurs with a student. And so the insurance in whatever ways we can of an effective, replenished teaching force, because we have a lot of my generation that's fading out of the profession here fairly quickly that we need to replace. So we need high-quality, high-motivated, highly supported and professionally developed teachers. And so we do need to think as a state how do we support the constant regeneration of the teachers that we have working in our public schools. That's the one area. The second area you've been somewhat...is it proper to tell a senator he's been harping on something? [LB593]

SENATOR HAAR: Sure. [LB593]

ROGER BREED: Yeah, you've been harping on it. It's the zero to five education area, that the more we have learned about not only the high potential for impacting in a positive way a child in their earliest years, we've learned about the overwhelmingly damaging effects that not being attentive to that age can cause. And so if I were to again have that wand and resources, I would look to those two areas first. [LB593]

SENATOR HAAR: Well, I want to continue this discussion privately with you. [LB593]

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ROGER BREED: Okay. Be glad to. [LB593]

SENATOR HAAR: Thank you. [LB593]

SENATOR SULLIVAN: Senator Kolowski. [LB593]

SENATOR KOLOWSKI: Thank you, Madam. Dr. Breed, I think two of the things you said, many of the things you said are all on target, but two especially. Properly resourced and properly led at the building level makes such a difference for the culture and climate and that whole attitude of that building toward what we hope...I hope our Education Committee will constantly ask you about, and that is what is the school improvement process that anyone is following? I think we need to ask that. And it's beyond the curriculum and assessments, all the good things that are taking place right now. But I think looking at a continuous improvement aspect and model gets us to link this place, the Legislature, with your department to have a common front to ask just what was asked earlier by Senator Seiler, what do you need, what else can we do and how do we do those things together so we can have greater accountability and greater progress made in all schools in every district across our state. And that is a goal I hope we will adopt; and as you continue to adopt that and utilize that, I'm hopeful we'll go forward on that. [LB593]

ROGER BREED: Right. And I appreciate that and I agree with certainly the gist and the direction of your comments. The bringing together of school districts, the Department of Education, the State Board of Education, the Legislature, the Governor, the postsecondary system, all into alignment would, first of all, be a monumental shift in where we have often been in education policy in this state. But secondly, it would send a clear message to one and all of our communities and one and all of all of our students that the expectation is to have all students graduate from high school, college and career ready, with a full future open to them and to the full benefit of our state. [LB593]

SENATOR KOLOWSKI: Absolutely. Thank you. [LB593]

SENATOR SULLIVAN: Thank you, Dr. Breed. [LB593]

ROGER BREED: Thank you. [LB593]

SENATOR SULLIVAN: (Exhibits 4, 5, and 6) I feel like I'm shirking my responsibility a little bit. Not only do I seem to not remember the names of my colleagues, but (laughter) I failed also to read into the record three different letters of support for LB593: one from Aaron Hollinger, the cofounder of the Nebraska Alliance for Quality Education; another from Kelly Amis, founder and president of Loudspeaker Films; and a third one from Mike Feinberg, cofounder of KIPP, which is Knowledge is Power Program. So just want that to be part of the record. Welcome, sir. [LB593]

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JOHN JENSEN: Yes, thank you, Senator Sullivan and members of the committee. I'm John Jensen, J-o-h-n J-e-n-s-e-n. I'm a retired teacher from Omaha. And right off the bat I would invite any and all of you and members of the audience to go visit some of those inner city schools in Omaha. I taught at South High School for 13 years, Benson High School for 23 years. And I can tell you, if you visit the schools, you'll have a different impression than if you listen to the people who want to trash the schools. Please, that's an open invitation from John Jensen. I'm not going to repeat Dr. Breed's Stanford study figures, but I'll refer to it later. I do want to say how easy it is to produce, and that's what this bill purports to have great charter schools. It's easy to have a great charter school. It's fantastically easy. It's a two-step process. Number one, you control who gets into the school in the first place. And it doesn't matter how the bill is written, there are ways to control who gets into the school. All of these that I'm going to say have been used by schools around the country. I'm here as an individual today but I'm vice president of the NEA Retired, and we have over 300,000 members. So I talk to people all over the country, and without a doubt they really are bothered by charter schools for many, many reasons. So I've talked to a lot of them. How about this: Recruit using literature written only in English; having applications made available for just a few hours a year and have it only available during working hours when poor people can't get there; have lengthy application forms that require student and parents essay, report cards, test scores, disciplinary records, teacher recommendations, and medical records; send literature only to residential addresses, bypassing the risky kids in foster homes and group homes and the homeless; require students and parent interviews; require extensive entrance exams, that is allowed by this bill; ask parents how they intend to help the school if their son or daughter is admitted; require that students receive an A or a B in 8th grade algebra before they're able to enter a school as for high school, this is being done elsewhere; do not provide a free and reduced lunch program or breakfast program for students. Okay. So after you controlled somewhat and probably fairly well who gets into the school, the second step is you've missed some and so now the idea is to push out some who don't belong, they don't fit in this charter school. There's a zillion ways of doing this. Let me mention one used recently by the Noble charter schools in Chicago. This is a letter actually sent to the parent of a student at this school. Noble charter schools, by the way, is highly touted as an excellent set of charter schools. To whom it may concern--the name is redacted--is a student who was required to repeat the 11th grade at Rauner College Prep because he failed to satisfy all of our promotion requirements. Because he is a reclassified student, the credits he earned during his first attempt at the 11th grade have been deleted. If the student were to transfer to another school--read public, regular public school--those credits would be repopulated as earned credits. Guess where that student went? They left that charter school. My point is that no...how many safeguards you put in these bills, there will be a way around them so that you will have a student body that you want. Someone mentioned KIPP several times. I believe this is out of Chicago. Seventh and eighth grade, 40 percent of African-American males drop out during those two grades from KIPP schools. Also, high

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percentage of...low percentage compared to the public schools of those in special education and English language learners. So, again, somehow it happens that you have a point...a student body that you want. All this should lead to higher student scores, but the Stanford study says, no, it does not. Section 5, part (2)(c) of this bill states...now it's a little different tangent now, financial plan for the first year of the operation must be submitted with the charter school application. How detailed is this plan? It doesn't say anything about that. Since the charter is going to be granted for five years, why not require a detailed five-year plan? How can this...I mean, there's not enough information. Section 7(3) of the bill says a charter school has the power to acquire real property from public or private sources by lease, lease with an option to purchase, and so. And then (5) to make contracts and leases for the procurement of services, equipment, and supplies. Senators, many charter schools throughout this country and the CEOs of these charter schools across the nation have used these powers to enrich themselves. It's simple and it's legal if the law does not specifically prohibit these practices, these certain sweetheart deals. A reporter in Arizona recently turned up a staggering levels of charter school corruption in that state of Arizona, including \$70 million worth of contracts awarded by charter operators to friends and family members. And that was just the nonprofit charter schools. The for-profit charter schools... [LB593]

SENATOR SULLIVAN: I'm sorry, sir, you're going to have to wind up pretty soon. [LB593]

JOHN JENSEN: ...don't have to give any...I drove here from Omaha on my own, but I'll keep it quick. KIPP, by the way, I believe is a for-profit chain. Class V School Employees Retirement Act shall apply to the employees of the charter school. I'm...I was a 24-year trustee on the Omaha School Employees Retirement System. And this brings up many, I think, extremely important questions. Who pays for the additional administrative costs to OSERS? OSERS is not set up to be a multi-employer pension plan, and who will pay for this transition? Who pays for the required annual audit of the employee and the employer funds transferred to OSERS from these charter schools? How can OSERS be certain the salaries are correctly reported? How can OSERS be certain that the funds are transferred in a timely fashion? How can OSERS, the actuary, get the correct demographic information so that the actuary can do their job? I also believe that the taxpayer of Omaha... [LB593]

SENATOR SULLIVAN: Sir, we are using the light system and I said that from the onset, so I'd like you to wrap it up as soon as possible, please. [LB593]

JOHN JENSEN: Thank you. Let me give you my list of uncomplete questions. Who chooses the trustees? I'm not sure from the bill. Are they open to the open meeting laws? Do they have to publish the agenda ahead of time? Will the public be allowed to speak at the meetings? Will salaries paid and other benefits for the top administrators and management be made public or part of the public record? Will contracts entered

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into with other entities or people be...to provide consulting and other services be required to be public? And why is the full and complete financial audit not required? [LB593]

SENATOR SULLIVAN: Thank you very much for your testimony. [LB593]

JOHN JENSEN: Thank you. [LB593]

SENATOR SULLIVAN: Are there any questions? Senator Haar. [LB593]

SENATOR HAAR: Could you supply us, just give it to the pages, and I'd like your list of questions. I'd appreciate it. Thank you very much. [LB593]

JOHN JENSEN: I'll give the clerk a clean copy. [LB593]

SENATOR HAAR: Good. Thank you. [LB593]

SENATOR SULLIVAN: Thank you. Any other questions? Senator Davis. [LB593]

SENATOR DAVIS: Mr. Jensen, you've heard a lot of discussion today about the Omaha Public Schools and what seems to be wrong with it. Do you have some concrete solutions? [LB593]

JOHN JENSEN: I have read many, many studies that all lead to the same conclusion that the number one determiner of student outcomes is the rate of poverty of the families and the rate of poverty of the area that the families come from. I believe that if the Legislature were to come up with a magic way of dealing with the poverty in inner city Omaha or Lexington or wherever it might be, that we've gone a long ways to finding solutions to our educational problems. [LB593]

SENATOR SULLIVAN: Any other questions? Thank you for your comments, Mr. Jensen. Welcome. [LB593]

JUDY ZABEL: (Exhibits 7 and 8) Thank you, Senator. My name is Judy Zabel, J-u-d-y Z-a-b-e-l. I'm the one that passed these out to you because when I was doing research on the charter school issue, this lady's name was given to me as having written many articles. When I looked at her credentials I thought that she was well qualified to write the articles and I just wanted to share them with you. I live here in Lincoln. I'm representing myself and I, too, oppose the charter school. I have several questions that need to be answered. The one-liner that the Clerk's Office puts out on these bills is very deceptive. And so when I looked at that one-liner, I did not think about even testifying on this bill because I thought--that's a good idea. And then I read the bill and I found several places, in Section 3, on page 2, "it operates independently of any school board."

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That takes away local control. Now I must tell you, I have been a teacher, although an uncertified teacher, in a private school in Beatrice where my children went. And I did that to cut down on the tuition rates. But I do understand the problems in the classroom with low-achieving children who don't have the parental background at home. I chose a different route with my children. I chose to go where they were. I chose to do the homework that they did. I spent hours when my son refused to read his literature, I got the book and I read it so I could question him. I guess I took an active role in my children's education. I wish that there were more parents, as I'm sure you do, that would take even just a little bit of that time to listen to their children read or to help them with a math problem. Unfortunately, I'm finding, as I talk across the country, to various contacts that I have, that many of our parents today don't even have the knowledge themselves to be able to help their children. And so we are depending on our public school teachers to take on the role of parent as well. And I think that is grossly unfair to the teacher who probably already has a family that she or he is trying to be a parent to. And I would be insulted if someone wanted to take on my role as a parent with my child. Unfortunately, that's not the case in a lot of instances. So that's my number one concern. The other concern I have is the innovative programs and the innovative assessments. Are we going back to when I was in school, the reading classes, the blue birds, the red birds and the low-achieving yellow birds? It seems that in some of these charter schools across the country, especially in the east, but Chicago as well, and I didn't check in the south, but they use these schools as vocational schools when they assess a child and think that child can't go any farther than...and I'll use the silly example of a street sweeper, so you learn to be the very best street sweeper that you can be and this is how you learn to do that. And they provide education that doesn't make sense. They don't let that child fully achieve what the child is capable of achieving if, in fact, he is encouraged to do so. That's what I see. The other thing that I see in Section 3 is that it operates independently of any school board, so it takes away my total...my control. And then also, I think another question that hasn't been asked but does, in Section 4, all of the entitlements...or entities eligible to submit applications, a business, a corporate entity, two or more certified teachers, ten or more parents. Does this open the door for a foreign entity to come in and take over a school? In some areas of the country this is legal. And I think we need to be very, very careful what we allow our children in the name of a better education to get to. My suggestion for the problem would be using Tom Osborne's mentoring program, expanding that program to make it more time with the student so that you can help that student. I would be willing to do that. Making parents aware of their responsibility as parents. I don't know how to overemphasize that. I don't think you can. If that means educating our seniors, our juniors in high school as to what it means to be a parent when they are becoming parents, maybe we need to look at that kind of curriculum. But I am not disappointed with my children's public school education because I was involved. Thank you. [LB593]

SENATOR SULLIVAN: Thank you very much. Any questions? Thank you very much for your testimony. Welcome. [LB593]

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DAVID ORRICK: (Exhibit 9) Thank you. My name is David Orrick, David is D-a-v-i-d, Orrick, O-r-r-i-c-k. Thank you, Senator Sullivan and the rest of the committee, for your time today. I actually am also a Teach for America alum, so I'm going to get into a lot of that. But prior to that I was a native Nebraskan; grew up in Omaha, lived a little while in Grand Island and in North Platte. And more critically than that is the fact that my mom is also a public school teacher so she teaches in OPS and she is a kindergarten teacher. I'm very business oriented and so growing up I used to give her a hard time about the same types of things that we're talking about today, the same types of frustrations that we're having. So I used to tell my mom, you know, I don't know how you can complain about teaching kindergarten, it's pretty much like baby-sitting. You work from 8:00 to 3:00 and you have summers off. I came up with the last one in middle school, in case you're curious. (Laughter) But so, as I continued to become a nuisance, I'd like to say that I changed my perspective over time and eventually went into her school and started to see what she actually up against. But I didn't do that, I actually worked a few years after graduating from the University of Nebraska and decided to pursue Teach for America. And my thought at the time was this is going to give me a chance to enter these high-poverty classrooms and be the hero, the highly talented person that I had come to believe that I was at that point, and I was going to really reverse the life outcomes for these kids. Well, in a strange twist of fate, I actually got placed in a first-grade classroom, although I wanted to teach high school. I had 29 first-graders that I was responsible for. I was teaching in one of the harder communities in New Orleans when it comes to the previous performance of the school. It was a charter school. And within about four hours of teaching my first day I realized that I had made a really bad mistake, life-wise, in terms of criticizing my mom. And specifically had made a really tough mistake about assuming that I was going to be able to come in and be as strong as I'd like. Now you've heard from my Teach for America peers today and I would echo one of the most critical things I think they're saying which is that there are schools, charter schools typically, that are taking student populations that we've traditionally written off and are transforming what they're capable of, and it's eye opening to watch. It didn't happen my first year. My first year I was placed in a school where I had actually less support, I'd say, than a traditional public school teacher. It was a charter school and it was the most difficult experience I've ever had. Now my second year I got to move to a school that is actually modeled off KIPP and so I got to see what can happen when teachers are actually supported in the right way. I walked away from that experience, and for awhile I stayed in New Orleans, I worked there, actually, for the former vice president of the KIPP network, vice president of their school development team. But quickly I started to feel unsettled. I'm not convinced after that experience that charters are the answers that I initially thought they were. I'm not convinced that Teach for America is the long-term answer that I believed it is, although I think today is a great sentiment for the fact that we do have folks who are quite vocal and quite passionate about the experience that we did have in the classroom. You're going to see a lot of data on the second page, in particular, that shows that CREDO study in detail. I

highlight that study not just because it is critical of charters, but actually it is less critical of charters in New Orleans. New Orleans is a model, if we as a state do determine to move ahead, where they've put some very specific measures in place to where the performance that you're seeing where only 17 percent of charter schools nationally are outperforming their peers versus the 48 percent you see in New Orleans. There are some good things to take away from that if we choose to move ahead. What is Exhibit B that I also want to point out is the political and social difficulties of actually following through on that model. As we all know, Katrina was really the piece that allowed for the state of Louisiana to fire 7,500 teachers. It's been recently found that was actually an illegal effort and they've had to reimburse accordingly. But we don't have that type of scenario. And in my opinion, what is more interesting is that I don't think we want it. What I'm here to talk to you about today is about what would it take to support a teacher like my mom to actually be adequately supported to be able to deliver the same types of results that a KIPP teacher is delivering in the Upper 9th Ward in New Orleans where I taught. I'm spending my time, full-time doing this. I work at the Omaha Home for Boys and do a lot of tutoring on the side, as well, and some consulting for some education reform organizations to pay the bills. But 90 percent of my energy right now is going towards wrestling with what would it take to actually support a teacher like my mom to be able to rise to this challenge. There is more about that, that you can learn from getting in touch and/or I'd be happy to send you more information if you're curious. Thank you very much. [LB593]

SENATOR SULLIVAN: Thank you, Mr. Orrick, for your testimony. Following up with the woman who just testified before us, and then looking just briefly at what your organization is trying to do, it's linking up with parents and you must feel that that is really key to making a difference. [LB593]

DAVID ORRICK: Yeah, so the Teach for America charter school model is encouraging. What is kind of easy to potentially overlook is the fact that teachers like myself, we're coming into it under a two-year commitment. I'm not saying some don't stay, but the mind-set of me and many of my peers was we're going to come in and we're going to change the world and we're going to do it 80-, 90-hour work weeks; and then after that we might go on and do other things, but we're going to constantly be able to advocate for the kids that we had a chance to teach. My mom's mind-set as a teacher is starkly different than that. She got into it saying that this is what she wants to commit her life to and she has rolled with the punches having to deal with all the things that have come her way in the last 15 years she has been doing it. Is one better than the other? At the end of the day I do agree with many of my Teach for America peers that we have to use the bottom line of, what are we doing to support the students to actually get where they need to go? But the specific initial program that we're launching is called Delivering Infinite Book Shelves for Kids. And so when you have a teacher like my mom who got into the profession to work with kids, and yet has never in her entire 15 years' teaching been supported to rethink the way that parents are engaged, and yet she, and

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potentially the church and the community are very uniquely positioned to do that, but we haven't supported her to say, what would it take to support your kids to make sure that they're reading every night at home? She is uniquely positioned to do so. We haven't yet supported her to be able to do that. So the program I've designed is aimed...is right now being piloted and looking to be scaled up in Omaha. It's aimed at saying let's do all that and let's not assume that the teacher is just going to add a bunch of time on their plate. [LB593]

SENATOR SULLIVAN: How have you selected those 75 families? [LB593]

DAVID ORRICK: Yeah, so I'm actually working at her school site, so I got a foot in the door through her. But then I have used truly the free market approach. I offer a choice to teachers whether or not it's something they want to get into. And I found three teachers who are willing to go out on a limb this year, so I've been working through the classroom to actually implement the program in those classrooms. So there are three classroom going right now. I just got approval from the school leadership to look into scaling it to be schoolwide next year. So that's where that 300-plus number comes in. [LB593]

SENATOR SULLIVAN: Thank you. Any other questions for Mr. Orrick? Thank you very much for your testimony. [LB593]

DAVID ORRICK: Yeah, thank you. [LB593]

JOHN BONAIUTO: Senator Sullivan, members of the committee, John, J-o-h-n, Bonaiuto, B-o-n-a-i-u-t-o, representing the Nebraska Council of School Administrators, Nebraska Association of School Boards. We would like to be on record as an opponent of LB593 and charter schools period. And I cannot add to what has already been said. The commissioner pretty much took all of the points I thought were important. And so with that I'll conclude my testimony. [LB593]

SENATOR SULLIVAN: Okay. Any questions for John? Thank you, Mr. Bonaiuto. [LB593]

JOHN BONAIUTO: Thank you. [LB593]

JAY SEARS: Good afternoon. [LB593]

SENATOR SULLIVAN: Good afternoon. [LB593]

JAY SEARS: (Exhibits 10 and 11) For the record I'm Jay Sears, J-a-y S-e-a-r-s. I work for the Nebraska State Education Association and I have some written testimony and I'm also giving you three different articles. One is the Evaluation of Charter School Impacts, a final report from the National Center for Educational Evaluation and Regional

Assistance; just some more data for you. I didn't print off the 290-page CREDO report for you or the most recent one, you can dig into that one. The other two articles, one is a magazine article about the New York charter schools and some myths about them. I think it's important that when we talk about changing public policy on education, we have as much information and evidence as we can, and so that's why we're papering you with all kinds of studies, all kinds of statements and other pieces for your consideration. The last one is an article from Education Week, last week, that says we need to change the discussion about charter schools. And so I offer that to you and it also points to the summary evaluation that I gave you of the evaluation of the charter school impacts. But more importantly, here is what I've heard today; here is what I've heard in my years of experience as we're trying to grapple with closing achievement gaps and kind of some food for thought and trying not to repeat testimony that is there. First of all, NSEA believes that charter schools, especially this legislation, is not the answer. And so that might ask you, what's the question? And the question to me is how is an urban school district to ensure that all children under its purview can have progress and reach intellectual capacity? And I would say the answer to that, and the reason we say charter schools isn't the answer, is there is lots of non-answers out there. But I've given you a list of 16 things that I know from research and experience and things that are going on right now in the public schools in the state of Nebraska and right there in the Omaha Public Schools do lead to student achievement. And let me name those off: a quality teacher in every classroom. You've heard over and over again it's the quality of the person in the classroom that is working with the students for the instructional process. Having a quality principal in every building is also just as important as that quality teacher in every classroom; a safe and caring in the learning environment; high standards and expectations for students; rigorous, relevant curriculum. What did we hear from the people from KIPP? They have a rigorous, relevant curriculum and they stay right to it. Relationships with students, educators, parents, family, community, and businesses. If you go into Omaha and you peek under the covers there, you'll find that you're finding all those things. Businessmen and -women are interested in what is going on in education in all of their public schools in the Omaha metro area. That's why you're finding so many before- and after-school programs being supported by the foundations out there. I can go on and on. Senator Haar has been talking about access to quality childcare and quality early childhood education. Those are very important pieces also that our communities are starting to talk about and focus on and realize that there is something missing out there. When I grew up on 24th and Manderson and then moved down the road a ways to 24th and Mary, the neighborhood took care of me. I didn't get in trouble because Mrs. Smith on the corner said, "Jay, you need to be back home tonight, get out of the street and quit playing stickball and go there." We don't have those communities and families today. That means we have to come up with something else. Quality healthcare, access to quality healthcare for all of our families. Smaller class sizes, especially in the kindergarten to third-grade level and especially as we look at zero to five age groups, thinking about that. Before- and after-school programs, you can go down the whole list.

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My point to you is, the Legislature has bills in front of committees and, ultimately, bills in front of the Legislature that are dealing with all those issues. You've had a number of those bills, and we'll have one more today that I will get to testify on about the accountability piece that put in place the things that we need to systematically improve instruction in our schools. Again, charter schools aren't the answer to that. We have multiple answers and I think you're working on that as a Legislature. It's the right time to start to look at those things. The Judiciary Committee is dealing with the issues of you can't teach students if they're in prison. If they aren't in school, you can't teach them. We're looking at healthcare; we're looking at before- and after-school programs. And we're looking at funding for all those issues and resources. So thank you very much for the opportunity to testify today. [LB593]

SENATOR SULLIVAN: Thank you, Mr. Sears. One area that maybe indirectly you touched on, but was mentioned as the one thing by Mr. Jensen who said that if we want to address some of these problems, is addressing poverty. [LB593]

JAY SEARS: Yes, that's one of the many things. If you look at the data and you find students in poverty, usually come to school behind a grade level or two or whatever, and I think that is what the commissioner was also talking about is, look at the improvement that we're seeing. You start at whatever number you want and we're looking at progressions. And for many of us, that's not fast enough. But education and poverty go hand in hand. So we've got to solve those issues, those that mean jobs in communities, that means instruction for families. Back to my example of, you know, the neighborhood raised me, not just my mom and dad. Churches are also important in that process. So it's multiple pieces and it may not be the same in every area in the same school district. So we've got to come up with those solutions. [LB593]

SENATOR SULLIVAN: Thank you. Any questions for Mr. Sears? Thank you. [LB593]

JAY SEARS: Thank you very much. [LB593]

LIZ STANDISH: Good afternoon, Senator Sullivan and the Education Committee. My name is Liz Standish, spelled L-i-z S-t-a-n-d-i-s-h. I work in general administration for the Omaha Public Schools and I'm here to offer testimony in opposition to LB593. I want to make it very clear that the Omaha Public Schools supports and strongly encourages innovation in school choice. We participate in all of the structures you've laid out for us through focus schools, magnet schools, open enrollment throughout the Learning Community, and we also have an internal student assignment plan to promote school choice. As Senator Kolowski alluded to, the number is actually 4,392 students who since inception of the Learning Community have participated in open enrollment and choice over the past two years. If you analyze the data with Nebraska Option, you'd be in the tens of thousands of students making choice in the city of the metropolitan class today. We'd like to point out that choice isn't fundamental to our reason, but it really is

the structure spelled out in LB593. LB593 has a governing board of trustees that are not publicly elected. They are actually not accountable to a publicly elected board that is local. And they do not adhere to the same level of accountability and transparency as a school board, but they are overseeing public funds with the way the funding distribution is set up in this bill. Charter schools in LB593 do not clearly have to adhere to the regulatory expectations of public schools, nor do they have to adhere, at least as spelled out in the bill, to the system of accountability for the Nebraska state assessment system or No Child Left Behind. Granted, that could all be worked out through the rules created by the department, but it's not explicit within the bill. Charter schools under LB593 are permitted to place academic entrance requirements. They don't complement the public system. They actually deviate funding in somewhat of a reimbursement tuition process from the public school system. And they're specific only to Omaha. And we would ask that if Nebraska is to consider charter schools as a statewide policy for education, that it be a very comprehensive analysis with lots of thoughtful discussion, much along the lines of your questioning today, which has been very thorough and thoughtful, about what that comprehensive analysis and structure needs to be for the state of Nebraska, not limited to a circumstance in Omaha. I'd also like to compliment and thank Dr. Breed for acknowledging the school district and follow up the information he gave you about progress in our school district with just four key points. This is all in comparison of assessment data from 2010-2011 to 2011-2012, so just the most recent last year of assessment data, OPS ranks in the top quarter of all school districts in the state for improvement; OPS improvements in reading and math exceed the state average in all areas; both reading and math at every grade level, test score gains were statistically significant; and the OPS graduation rate of 75.51 percent represents a 2.55 percentage point increase. So in the conversations today, I jotted those down because I really do think it adds to the conversation about progress being made in OPS and the local sense of urgency of making improvements and looking forward that we feel within the school district. So that really closes my comments for today, and I'd be happy to answer any questions you may have. [LB593]

SENATOR SULLIVAN: Thank you, Liz. Any questions for her? Thank you very much. [LB593]

LIZ STANDISH: (Exhibit 12) I also have a letter that someone wanted me to deliver. [LB593]

SENATOR SULLIVAN: Okay. Welcome. [LB593]

ANN NICKERSON: (Exhibit 13) I'm Ann Nickerson, and I'm speaking for the Nebraska State PTA today. It's A-n-n N-i-c-k-e-r-s-o-n. The State PTA is opposed to LB593. When I first saw the bill I thought that it was introduced to allow the schools in the state of Nebraska to apply for Race to the Top funds, because to be eligible for those federal funds, the state must have charter schools. So that was what I thought started it, but a

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serious question as to whether charter schools in one metropolitan community would even qualify for us for Race to the Top funds for the national Department of Education. So that didn't seem right. There are some serious, deeply serious, flaws in this bill as written. We talk about a board of trustees. Nowhere in this bill does it say that a parent will be on that board or any parents. I really don't have all that much to add to what all you've heard about this. But in a statement, National PTA has just redone a position statement on charter schools which is the second page that I have given you and it lists all the things, all the provisos that charter schools should have and the things that should be spelled out by whoever is authorizing the creation of charter schools. So I offer you that as something that you could refer to because this bill is so deeply flawed and lacks so many safeguards I would actually ask you to please kill the bill. I would appreciate that. Thank you very much. [LB593]

SENATOR SULLIVAN: Thank you, Ms. Nickerson. Are there any questions for her? Senator Haar. [LB593]

SENATOR HAAR: Thank you for being here. State PTAs, so your organization really is parents who are making choices, choices to be involved in the school and so on, wouldn't you agree? [LB593]

ANN NICKERSON: We're making the choices that parents should make; parents need to be involved in their children's education. Some of us who are more active sometimes have more economic flexibility to do so. But yeah, all parents make a choice to be active to some degree. But some of us also, you have to realize, some parents have no role model in their past for effective involvement. So as an organization, we try to teach parents how to be involved and we rely on the schools here to help us teach parents how to be effectively involved in their children's education. Okay? Yes, it is a choice to be involved; but it's a necessary choice and it is a responsibility. Okay? [LB593]

SENATOR SULLIVAN: (Exhibits 14, 15, 16, and 17) Thank you, Ms. Nickerson. Any other testimony in opposition to LB593? I would like to read into the record three letters of opposition: one from Kelly Keller, National Association of Social Workers, Nebraska Chapter; another letter in opposition from Bert Peterson of Hastings, Nebraska; and another one from Nancy Carr of Lincoln, Nebraska. We'll now hear neutral testimony on LB593. Anyone wishing to speak in a neutral capacity? I will note there is one letter in that regard: Margaret E. Raymond, Director of the Center for Research on Education Outcomes. Senator Lautenbaugh to close. [LB593]

SENATOR LAUTENBAUGH: Thank you, Madam Chair, members of the committee. I apologize, I had to run over to another committee, but I made it back in time, and I guess that's the important thing. I didn't bring this thinking that there wouldn't be opposition. But I would have to point out that if you could think of a more narrow way to draft this, just to try it, where it might work the most and where it certainly is the most

needed. And why the fear? Why the fear? You heard things today that, I've hopefully, I've had someone here taking good notes so I can respond to them and I will. But the one thing that I heard myself was that, well, we shouldn't be doing this, we should address poverty. Well, if we can address poverty, if we can just figure out how to do that, we wouldn't have to worry about this. I think people have been trying to figure that out for a long time. And one of the ways to address poverty is educational opportunity. And that is what this is all about. I should point out that KIPP is a not-for-profit. I think it was suggested that they were for profit. The CREDO director wrote a letter and I think it is one of the ones you read into the record, Madam Chair, pointing out that they do not blanketly dismiss and discredit charter schools. They point out the good ones and the bad ones. So this particular draft of the bill that is before you is based on the Massachusetts model which has been successful. Parochial and religious schools are specifically barred because of the use of public funds, so it avoids potential Constitutional issues. Discrimination is specifically prohibited. Prayer in schools and other such issues are to be included among the standards and regs set forth by the State Board of Education ideally, and certainly could be. Enrollment standards were purposely left open and vague so as to allow the State Board of Education to craft regulations, or if needed, have the Education Committee address it if they see fit. One of the most important points of this bill is the deference to the State Board of Education regarding the overall educational curriculum and standards. While the charter board would decide how and in what manner the schools' curriculum meets the standards set by the state board is the point. This give a greater flexibility based upon the changing nature of education and new findings that will allow the state board to adapt their standards accordingly. Now I've had many conversations with Dr. Breed, and I know that he is not on board with charter schools, to say the least. But I don't believe that this is designed to undermine local boards. It is certainly competition. But if you find this is undermining local boards, then you would find parochial schools as undermining local boards too. Clearly, the trustee meetings would be open to...subject...I'm sorry, to open meeting laws as they are a political subdivision; the bill spells that out. And I apologize, I'm trying to read other handwriting here that is not as bad as my own, but comparable maybe. Again, I'm not going to go through all these point by point because I think a lot of these things are addressed in the bill and lot of them are addressed to the CREDO study if properly understood. I would point out that this is not the first charter school bill we had; and while testifying in 2010, the lobbyist for the NSEA, Jerry Hoffman, stated, "I think it would be intellectually dishonest for me to sit here before this committee and say that charter schools have been a failure in places like Chicago. That's just not true nor am I here to make that statement." Well, I would submit that there are some parallels, not 100 percent, nothing is ever 100 percent equal, but there are certainly parallels between some of the situations in Chicago and other inner cities and what we find in Omaha. And I would just leave you with...I think this booklet is very well done and I think it goes a long way towards rebutting a lot of what you have heard this afternoon in opposition to this. And I would just leave you with this, the same thing I started on my closing, why the fear of this modest step? If it fails, then it's done for all time. But we've

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got kids that are in schools that are failing now and an administration that doesn't seem able or willing to do what it needs. Maybe it doesn't even know what to do. This is a path out for people who need it, and I said it likely won't affect my children, even though they are in OPS, but there are certainly a lot of children that could use a different opportunity and that's what this is designed to provide on a very limited scale, just to see if we can do better in that way. I'd be happy to try to answer any questions you might have. [LB593]

SENATOR SULLIVAN: Thank you, Senator. As I listen to you and a couple of the comments you made carve out and do a little bit or just focus, so...and I recognize, like I said at the onset, your passion and concern for this. Is there a way to address that short of going the whole nine yards of developing rules and regulations for a charter...for going down the charter school path, but taking one small step to address what you consider are real deficiencies? [LB593]

SENATOR LAUTENBAUGH: I think the independence from the local board is a big deal. I think that's a lot of the point of this. I think it allows for a lot of flexibility. And more importantly, I should underline the local board, the administrative structure they're under. And so I think that's just crucial to the success of these entities. [LB593]

SENATOR SULLIVAN: So as you say that, are you willing to at least look at some alternatives short of going that whole path? [LB593]

SENATOR LAUTENBAUGH: I am always willing to look at alternatives, that much is certain. But I believe fervently that if the district is allowed to control it, the district will kill it. It will not fail...or it will not succeed, it will not be allowed to succeed. [LB593]

SENATOR SULLIVAN: Okay. Any other questions for the senator? Senator Haar. [LB593]

SENATOR HAAR: Yes, thank you. Well, if the...being out from under the heel of the board is the main thing, you know, it just occurred to me is what if every school building in Omaha had its own board and have to be under the Learning Community or something, would that solve the...would that be the same kind of solution you're talking about here? [LB593]

SENATOR LAUTENBAUGH: Well, it would be an unwarranted solution, but, I mean, that's not what's being proposed here. We're talking about a very limited area where there are some schools that could use local neighborhood competition that the parents don't have to try to pay for out of their own pockets. I heard one of the testifiers in opposition liken this to tuition reimbursement. And we all know we can't have tuition reimbursement. I'd like it, but we don't have it. But that's not what this is. The dollars follow the students just like students transferring around among the Learning

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Community. To talk about tuition reimbursement is not really relevant here, but yet it came up. [LB593]

SENATOR HAAR: Well, and that seems to be a big issue, and I asked the person from the Platte Institute, do you see other areas of government where the money should follow the people, not just the schools? I mean, it's an interesting concept, let everybody spend their own tax money. Where does that break down? [LB593]

SENATOR LAUTENBAUGH: Well, I don't think it's a novel concept in education. I think that's what we do now in the Learning Community. My oldest son transferred from a middle school in OPS to a middle school in Millard North, and the dollars went with him. This is not some new thought process here. This would just be explaining how you would fund the charter schools. [LB593]

SENATOR HAAR: But what are the...are there other areas of public funding, do you think, where people ought to be able to spend their own money and...? [LB593]

SENATOR LAUTENBAUGH: I did not come here with that in mind. I don't know how to answer that question for sure. [LB593]

SENATOR HAAR: You raise questions, all kinds of interesting questions, so thank you. [LB593]

SENATOR LAUTENBAUGH: That's not my intention. (Laugh) [LB593]

SENATOR HAAR: Okay. (Laugh) [LB593]

SENATOR SULLIVAN: Any other questions for the senator? Thank you, Senator. (See also Exhibits 18 and 19.) [LB593]

SENATOR LAUTENBAUGH: Thank you. [LB593]

SENATOR SULLIVAN: We are going to take just a five-minute break. I'm going to hold you all to that five minutes, and please be back here.

BREAK

SENATOR SULLIVAN: I think we will reopen the hearing and this one will be on LB438. Welcome Senator Adams. [LB438]

SENATOR ADAMS: (Exhibit 1) Thank you, Senator Sullivan. My name is Greg Adams, A-d-a-m-s, representing the 24th Legislative District here to introduce LB438. I got in on the tail end of Senator Lautenbaugh's closing on charter schools. And someone on the

panel here asked the question, well, what if, is there an alternative? I'm here today to provide you with what might be perceived to be an alternative to that. But yet, the fact that it is in front of you, it was not originally designed or introduced this session as an alternative to charter schools. Quite frankly, it is kind of the culmination of some stuff that I had been working on when I served on this committee. If you recall last year, I think it was LB870, a bill which expanded our state accountability and assessment system to include very specifically a growth model, graduation rates, and other measures and/or indicators as the state board may prescribe, giving them some flexibility. At that time that I was preparing that legislation, I was thinking about adding to it the very thing that you have in front of you in LB438. I did not at that time, because I thought that LB870 was getting a little heavy with other things that were involved and amendments that were coming in and everything else, and I had had a discussion with some members of the state school board who really didn't feel like they were prepared yet to say yes or no or maybe or anything else to what LB438 has in it. Now let me get to that point. Almost in the same vent that Senator Lautenbaugh brought his bill, I've been working on some of these things. You all know that, by law, the state school board can take away a school district's accreditation. But here is the reality: They're never going to. And I'm not saying that in a derogatory way. I'm simply saying it is the practical reality of things; they're not going to. And in our larger districts, the problem may be one or two buildings, not the entire district. And is the state school board going to pull the accreditation of an entire district because of one or two buildings where there are problems? That's unreasonable to think that they would do that. Yet, at the same token, we have school districts or buildings within school districts where there are big obstacles to educating. And we all understand the issues of poverty and mobility, and the list goes on, of things that contribute to a lack of success in buildings. What is frustrating to me is when you see it and there is no nudge; it seems like there is no response to that. What LB438 does, very simply, is this: It says to the state school board, other than taking away accreditation, here is another option that you have. Using accountability measures and assessment measures that are currently in the hands of the state board, you can identify up to five, what I call in this bill, priority schools--priority for the obvious reasons. Yeah, they may be failing, but the fact that they're failing means that we need to prioritize them and do something about them. To identify up to but no more than five priority schools. Now once the state school board has done that, it's one thing to identify. What the bill also does is give them the authority to respond. Not to take over the school, but to send in an intervention team, a team of folks chosen by the State Board of Education to step into that school building, or school district, whatever the case may be, analyze the situation and say here's what we believe the factors are that are contributing to this school not improving. Submit a plan to the school board where that school district is or where that school building is, not take the school away from them, but submit to them a plan for turning that priority school around; this is what you've got to do. And then stay on top of that school district to see to it that the plan is implemented. Now similar to a charter school environment, this may be...who knows, I mean this may be where an intervention team steps in and says, you know, in

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order to get this school building A turned around, you're going to have to do things differently than you're doing in all your other buildings. Maybe they need to go more days of the year. Maybe they need to go more hours of the day. Maybe there needs to be a different principal. Maybe there needs to be a different teaching staff. Maybe there needs to be a different curriculum, which, in essence, is a lot like what charter schooling could be. But this school building would still be under the charge of the school district and the school board where it's at. The state school board would simply be authorized to come in with an intervention team, analyze the situation, prepare a report and say you've got to follow this plan and then continue to follow up on that to see to it that the plan is being followed. One other thing would come along with it. Once a school is identified as a priority school by the State Board of Education, and a plan has been developed, or an intervention team, I should say, has been determined and sent to the school district, one of the corrective measures, if you will, would be for that priority school building to create an operating council made up of people right there, right there, and it was brought to my attention that nowhere in the language does it say anything about a parent on that. Well, certainly you would think you would want to include that. And if you as a committee wanted to be more specific in the language and say that one of the six or two of the six or four of the six ought to be parents from that attendance area, I don't care. What I'm striving for with that concept is some local buy-in from the people that are right there whose kids go to that building or maybe they own the store right down the street, but they're part of that attendance area, that want to see that school improve. They would be advisory in nature. They're not going to run the school. But they would have input on hiring; they would have input on budgeting to the school board that that building is currently under. By the way, in the bill, the green copy that you're looking at, that concept would be extended statewide. The amendment that I've handed out to you would nullify that; it would nullify that. When originally the bill was drafted, I was thinking in terms of if it is good for the priority schools, might it be good for everybody else. I've changed my mind on that. I've given you an amendment that would simply say that that operating council, that advisory operating council would only apply to the priority schools that have been identified by the State Board of Education and nowhere else. And I would recommend that. I mean, this...this, in enacting this, in and of itself, is something of a big leap for the State Board of Education. Going beyond that I think will take time and observation of how this would work. That's the essence of the bill. And I'd be glad to try to answer questions. I know it's getting late. [LB438]

SENATOR SULLIVAN: Thank you, Senator Adams. So just picking up on what you just ended with, you're getting rid of that community school. [LB438]

SENATOR ADAMS: The community school for everybody else, but not for...the community school concept is the operating council, same thing. [LB438]

SENATOR SULLIVAN: Right, but that's to say that those priority schools that would be identified, they could be anywhere in the state. [LB438]

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SENATOR ADAMS: They could. You know, I think we have...I'm going to be very candid with you. I think we're all...at least me, we're sitting here thinking OPS, OPS, OPS. It wouldn't necessarily be. Would not necessarily be. And this operating council could apply to someplace else just as easily as our stereotypical, sometimes, districts that we might be thinking about. [LB438]

SENATOR SULLIVAN: That being said, there is, at least from the department's standpoint, a pretty hefty fiscal note. [LB438]

SENATOR ADAMS: Right. [LB438]

SENATOR SULLIVAN: And so I'm wondering, short of that, in identifying maybe a real high-need area, is there a possibility that we could approach this from a pilot standpoint? [LB438]

SENATOR ADAMS: You know, I'm open to whatever you as a committee want to do. Yeah, the fiscal note, I hate to say "dead on arrival," but you look at it, it very likely it is. And I'm not saying that the state board in putting the fiscal note together erred. The reality is, and Commissioner Breed and I talked about this in preparation to some of this legislation, you can't do this for nothing. [LB438]

SENATOR SULLIVAN: Yeah. [LB438]

SENATOR ADAMS: You can't. If you're going to identify a team of five people, you're going to have to...they're going to spend time. You want them to, to do a good job of analyzing where the weaknesses are in that particular district or that building. There is going to be expenses involved. There may be even outside consultation that needs to be brought in. Maybe it could be done, Senator, on a pilot basis. Maybe instead of five priority schools, it's one. That I would leave to the discretion of the committee. [LB438]

SENATOR SULLIVAN: Thank you. Any other questions? Senator Haar. [LB438]

SENATOR HAAR: Yesterday on NPR Radio, as I was driving home, they were interviewing a school in Chicago that had...and I can't remember how they designated them, Senator Adams, but it was similar to that where they took schools that really needed it and they pumped a bunch of money and resources into it. So this, in concept, is sort of like that and it would be up...I mean, there are many different ways you could pump life into a school, right? [LB438]

SENATOR ADAMS: Right. And what I'm advocating here, though there is money on the trail, it's not first. The first thing is, you have some outside experts come in and say we've identified this as a school with problems, it's persistently in trouble, we can't let

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this go on anymore, and we're here to give you outside advice. Give you, i.e. the school district, outside advice what needs to happen. To do that, there's going to have to be some money along the way. And this, the fiscal note that accompanies this, may be its very downfall besides the fact you guys might not like the concept, so. [LB438]

SENATOR HAAR: And realistically, it would be...it would take money to pump life into a school that's been... [LB438]

SENATOR ADAMS: Potentially. You know, we're paying for these kids to be educated through property taxes; and if a school district is equalized, they're getting equalization money. So we're doing that, and that money wouldn't go away. But an outside intervention team may identify issues that would require some additional monetary attention that other buildings would not. So it's very possible, Senator. [LB438]

SENATOR SULLIVAN: Senator Seiler. [LB438]

SENATOR SEILER: Thank you, Madam. Senator, between your oral testimony and the written document, I see a gap,... [LB438]

SENATOR ADAMS: Oh, it can't be. [LB438]

SENATOR SEILER: ...and that's...on Section 4 you address any public school may become a community school, and yet your oral testimony was one building and a public school. [LB438]

SENATOR ADAMS: Right, and that is what the amendment that was handed out to you would do. [LB438]

SENATOR SEILER: It says, changes to any part of a school? [LB438]

SENATOR ADAMS: Right. It would, in effect, say it's for priority schools only, the community school concept. [LB438]

SENATOR SEILER: Well, but the Board of Education would select, say, Hastings as a priority school, but it may be only one building in that. [LB438]

SENATOR ADAMS: Right, right. [LB438]

SENATOR SEILER: So don't you need the...any public school or part thereof to be designated? [LB438]

SENATOR ADAMS: Could be. What page are you on? [LB438]

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SENATOR SEILER: Page four. And that may be just picayunish too, but. [LB438]

SENATOR ADAMS: Oh, probably. (Laughter) [LB438]

SENATOR SEILER: But listening to your testimony and what I read was a little bit different, and that's why I was asking you about it. "Any public school may become a community school through the formation and operating council." [LB438]

SENATOR ADAMS: Yeah, that would go away with the amendment. [LB438]

SENATOR SEILER: Okay. [LB438]

SENATOR ADAMS: That whole section would go away with the amendment that I handed out to you. [LB438]

SENATOR SEILER: Well, I was just wondering if that building part of the school district...the school district would be identified and then inside that, the building would be identified. And you aren't prioritizing the whole school district, just that building. [LB438]

SENATOR ADAMS: Although conceivably you may have a district with only one building in it,... [LB438]

SENATOR SEILER: Oh yeah, yeah, right. [LB438]

SENATOR ADAMS: ...that could end up being a priority school too. Yeah, yeah. Point well taken. [LB438]

SENATOR SEILER: Well, that's just what I...okay. [LB438]

SENATOR SULLIVAN: Senator Kolowski. [LB438]

SENATOR KOLOWSKI: Thank you, Madam Chair. Senator Adams, on the...my one concern would be having someone from the outside, perhaps from the State Department of Education, trained in a model or models of school reform that would be connected with, and perhaps work closely with, this priority school in that particular district. If you don't have someone with that training or that is nurturing that group along, how does that group...where do they go to find the tools needed to do the reform effort that is needed in that individual school? [LB438]

SENATOR ADAMS: You know, you raise a good point. I guess my response to that would be...and it's not intended to be a cop-out. I would expect the state board, specifically, to deal with that in the way that they put these things together rather than to describe in statute how it's got to be done, any particular model or anything like that.

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[LB438]

SENATOR KOLOWSKI: I think that would be a needed issue. And when I look at this, rather than...six people public, as well as staff members and all the rest from that individual school potentially tripping over each other, not knowing what steps to take or what outline to follow. And one I would just mention, it's been around for a decade and a half now, is the NASSP, the secondary school principals' Breaking Ranks program, as one model that would be...you know, that could be looked at. There's a number of models you could look at that would do some of the same things, but that's now identified as a K-12 model of change and reform,... [LB438]

SENATOR ADAMS: Okay. [LB438]

SENATOR KOLOWSKI: ...just as a name. [LB438]

SENATOR ADAMS: Good point. I think it should be left to the state board rather than statutory language to identify those things. [LB438]

SENATOR KOLOWSKI: I understand that. Thank you very much. [LB438]

SENATOR SULLIVAN: Any other questions? Senator Davis. [LB438]

SENATOR DAVIS: How are you...how is the state board going to make the decision that it's time to go in and step in here? [LB438]

SENATOR ADAMS: Well, they're going to use the assessment and accountability measures that they currently have at their disposal and expanded upon last year in order to make a determination of which of the five schools...up to five schools would be identified as priority. It would not be subjective. There may be some, you know, at some point some discretion exercised by them, but there would be a matrices of information that they would have in front of them. [LB438]

SENATOR DAVIS: And you talk about giving them the authority to extend the day or extend the year. And how are we going to work through contract arrangements with staff? If a specific school in the Hastings district which has been identified as a problem school, we're going to add two weeks to the year; I mean we're going to have some compensation issues there, aren't we? [LB438]

SENATOR ADAMS: And we're going to have a General Fund obligation,... [LB438]

SENATOR DAVIS: But I mean, the local district is still going to... [LB438]

SENATOR ADAMS: ...if they're an equalized school district. [LB438]

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SENATOR DAVIS: So are we going to identify that school...how much ahead are we going to be identifying this problem district...or problem school? [LB438]

SENATOR ADAMS: Well, there is five years here of time line. [LB438]

SENATOR DAVIS: Well, but really what I'm kind of saying is, is the state board going to meet in September and say, next year, we're going to identify Omaha Public Schools as a problem school? Or is it going to be in March, and...? The reason I'm asking that question is it all comes down to budgeting for the districts. [LB438]

SENATOR ADAMS: That's right. That's right. [LB438]

SENATOR DAVIS: And I would like to make one other point, and I understand what you're trying to do. When Senator Raikes and the Education Committee and the Legislature passed the bill that eliminated the Class I schools, they set up operating councils which sounded like a really great idea. And, ultimately, in our particular district, the operating councils became barriers to any modification or attempt to change. It is just something to think about. It doesn't always work. [LB438]

SENATOR ADAMS: It's a good point. [LB438]

SENATOR SULLIVAN: Senator Kolowski. [LB438]

SENATOR KOLOWSKI: Thank you, ma'am. Senator, can school districts self nominate or would they always be chosen from the outside? [LB438]

SENATOR ADAMS: They being who? [LB438]

SENATOR KOLOWSKI: Can a school district nominate a school that they'd like to have the state department consider one of these five? [LB438]

SENATOR ADAMS: You know, I hadn't thought of it in that way. Typically, I wouldn't think a school district would want to. I guess in this case I'm looking more at the school board making that decision. [LB438]

SENATOR KOLOWSKI: Thank you. [LB438]

SENATOR SULLIVAN: Any other questions? Okay. Thank you. We'll now hear proponent testimony. [LB438]

BRIAN HALSTEAD: Good evening, Senator Sullivan and members of the Education Committee. For the record, my name is Brian, B-r-i-a-n, Halstead, H-a-l-s-t-e-a-d. I'm

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appearing here because the Commissioner of Education had another commitment for which he couldn't stay around. So I'm going to read to you his statement that he had prepared for the committee. The State Board of Education and the Nebraska Department of Education support LB438. This is the last step in completing a state system of accountability for schools and school districts. The bill proposes a reasonable and restrained approach to help ensure that all Nebraska students are afforded a high-quality educational opportunity. The bill sets out the implementation after the 2013-14 school year, allowing the state board the time to fully analyze statewide test data, improvement numbers, and growth trajectories so as to have a much clearer picture of expectations for schools and school districts. Further, the bill is learning focused. It requires progress toward clear goals, and it provides a level of support and oversight that brings the community, the school, the department into alignment to improve Nebraska schools. That's the end of his written statement. I'll try to answer any questions you might have on the bill. [LB438]

SENATOR SULLIVAN: Thank you, Brian. Well, my first question has to be it's all good intentions, but the fiscal note is real ominous. And is there some way we can start along this path without having those big funding challenges? [LB438]

BRIAN HALSTEAD: Well, I think if you're looking at the fiscal note, you know, obviously, the Legislative Fiscal Office is your experts on the costs. Our staff prepared it using the federal government's School Improvement Grant model as being what we would first start with in Nebraska. And a large piece of that fiscal note is grant funds to the school district to undertake the activities in order to improve the schools, which is a large part of the SIG grant. That's the biggest piece that we put in it. That, as the Legislative Fiscal notes, there's nothing in this bill that calls for any funding to go to a school district in order to help them with the priority schools. There will be a cost to us at the department to first put together the intervention team; work with that school district and the particular school as to what necessarily appears to be areas they could improve on; and then putting that together. So I think the Legislative Fiscal Office has scaled back what we put in which is probably realistic in the sense of there is still going to have to be some staff at the department. As the fiscal note notes, and I think what Senator Kolowski was probably talking about, or others, we're most likely going to be contracting with the experts, because they're not all on the sixth floor at the State Office Building. And we're probably going to be looking to neighboring school districts who may have addressed this issue; educational service units who deal with professional development, data analysis, all of that. So there are going to be experts in the state. We may have to look outside the state for some experts. So some of that may be just coordinating current resources that are in different places and bringing it together. But that's still going to take time and effort of people that may not currently be in budgets of everybody else. You know, Senator Adams says five, and maybe you want to pare that down and start with smaller--two or three. I mean, I think all of us, hopefully, recognize there is going to be some cost for doing this. And some of that, hopefully, is just a transition cost to help

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the school district move from here, or the school from here to here, which means there is going to take some resources, initially, as they transition. And not all of that is going to be available. But I think everybody understand if you want to look to other states and what they're spending on accountability, the Legislative Fiscal Office's fiscal notes is peanuts compared to what other states are spending on their models, or what the federal government is spending on its four mandated models. [LB438]

SENATOR SULLIVAN: Well, and maybe I misunderstood you or need some clarification. Are there federal dollars that can be leveraged to work on things like this? [LB438]

BRIAN HALSTEAD: Well, there are currently School Improvement Grant funds that come under No Child Left Behind. But there are certain requirements you must meet for that, and that would presume that how the federal government directs us to identify schools is the same thing our accountability system is going to identify here. Probably the federal funds are not going to be available for the certain schools, because in order to use the federal funds, well, you either have to fire all the teachers and the principal, or you have to get rid of the principal but you have to transform the school, or you have to close the school, or you have to...and those aren't Nebraska models. I mean, that's been the problem. That's what we've clearly communicated. The transformation model that the U.S. Department of Education is the one most Nebraska schools and educators know because it talks about school improvement: what are you looking at in your data; what are you doing in order to deal with the professional development, the curriculum, all of those. Which is what, believe it or not, the four Nebraska schools that took the SIG grant money under ARRA all chose the transformation model. So in the sense of that's the closest. But even that's not how we do things in Nebraska in that regard, so. And then the other question is, will the federal money be there after Friday? And I have no idea, but obviously if the federal government is serious about dealing with its deficits and its debt, we can't continue to expect the federal government is going to pay for all of our school improvement or accountability. So it's a hard question. It's a conversation we all need to have as to how we're using resources and what is the best way of using them. [LB438]

SENATOR SULLIVAN: Thank you. Additional questions for Brian? Senator Seiler. [LB438]

SENATOR SEILER: I was thinking as you were describing those people you were going to enlist to help you that you better get them from more than 50 miles away so they're an expert. [LB438]

BRIAN HALSTEAD: (Laughter) Well, and you know, that was one of the things I know the conversation came up about; sometimes the people right there are your biggest barrier and that may be one of the problems. I think what we want to make sure is if this

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Legislature can move it forward, don't be too prescriptive of what you want done, because as you're well aware, 249 school districts, I think it's over a 1,000 schools in those 249 school districts and they are all unique in their own settings and their own communities. What may work in Crawford may be totally the opposite approach you're going to take in Falls City. And I'm not picking on those two, I just pulled two names off the top of my head. [LB438]

SENATOR SEILER: No, I agree with you. I have nothing. Thank you. [LB438]

SENATOR SULLIVAN: Any other questions? Thank you, Brian. [LB438]

BRIAN HALSTEAD: Yep. [LB438]

SENATOR SULLIVAN: Anyone else wishing to testify in support of LB438? [LB438]

JAY SEARS: Good evening. For the record, I'm Jay Sears, J-a-y S-e-a-r-s, and I represent the Nebraska State Education Association and we appear before you in support of LB438. As Senator Adams said, LB870 had a lot of those pieces but not the piece that is the priority school, not the "how do I help you get there." And so that is probably the main reason that we're here in front of you today is this completes the circle. We've got the accountability system together. This bill puts together intervention teams to help school districts in their school improvement planning process. Some schools may need that help; some districts may need that help. I'm most familiar with the reform programs that were started through the federal government, School Improvement Grants, the SIG grants. We have 11 school buildings out there that have gone through that. And one of the things, Senator, that you mentioned is the fiscal note. Those school districts and their school that entered into the school improvement process have about \$2.5 million to \$3 million for three years to do some reform. It's not easy. But then I would also say to you, skimming off some of the funds from school districts into charter schools isn't going to solve the problem either. So as we're looking at public policy for school improvement, what is it we need to do from the state of Nebraska? How do we need to help school districts identify those issues? And then how can we come up with a plan that helps support the people in the community and do the right thing for kids in the school districts? So that's why we support LB438. So thank you very much for your time and your generous time this evening. [LB438]

SENATOR SULLIVAN: Thank you. Any questions for Mr. Sears? Thank you...oh, Senator Kolowski. [LB438]

SENATOR KOLOWSKI: Thank you, ma'am. Mr. Sears, could...through your agency, could you find a listing of the number of reform organizations that could be used in schools, and could you get that to our Chairman and she could share it with us. [LB438]

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JAY SEARS: Sure, I'd be glad to get that data for you, sure. [LB438]

SENATOR KOLOWSKI: I think it would help flesh out some of the names you're talking about or others are talking about as we go through this,... [LB438]

JAY SEARS: Right, sure, I'd be glad to supply that. [LB438]

SENATOR KOLOWSKI: ...because I know NEA has a lot of things (inaudible). Thank you. [LB438]

JAY SEARS: I'd be glad to help. Thank you. [LB438]

SENATOR SULLIVAN: Thank you. Senator...or, oh. Oh, you didn't have anything. [LB438]

SENATOR AVERY: No, I was signaling the page. [LB438]

SENATOR SULLIVAN: Oh, okay. (Laughter) [LB438]

JAY SEARS: Oh, whew. While I always look forward to answering your question, Senator Avery, I was just hoping. [LB438]

SENATOR SULLIVAN: Anyone else wishing to testify in support of LB438? Okay, anyone wishing to speak in opposition to LB438? In a neutral capacity? [LB438]

JOHN BONAIUTO: Senator Sullivan, members of the committee, John, J-o-h-n B-o-n-a-i-u-t-o, registered lobbyist representing the Nebraska Council of School Administrators, Nebraska Association of School Boards, with more positive neutral testimony this afternoon. And the associations I represent appreciate the way Senator Adams is thinking as far as the next step for our accountability model in Nebraska, and we need to do something beyond gathering data. And so we've been in that data-gathering mode for a while, and so this is a real support piece. The reason we're testifying neutral was the fiscal note, primarily, and we know we're asking an awful lot of the policymakers this year as we look at TEEOSA and the LB599 issue, retirement; there's just a litany of things that will require money. This is important. And we were not sure if there would be grant money through the federal government or...it's important to have some resources. And I know that that isn't something that would happen up-front, but I think that if NDE is looking at bringing in this transition team and contracting with two or three or five people, I'm looking at this reform type of a challenge and it's hard to predict. Are we talking about folks maybe being in a site working with teachers and administrators 30 days in a school year, 50 days in a school year? We may have some high-quality retired teachers, retired administrators, bringing people in from the outside. But, I mean, there's a commitment here. This is more than coming in for an afternoon

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and pointing out a few things. And so having the resources to do the contracting. The amendment Senator Adams has brought forward, it strengthens the bill. And the last thing I would say is I think a part of this helping schools is between the Legislature and the state board and the department putting a spin on this that it's a good thing to be a priority school. I mean, that's going to be really important, that you're special, that you mean a great deal to your district and to the state, and we really do want to help and help you succeed. I think that's going to be an important part of this, that it's not a bad thing to be designated, but it's a helpful thing. With that, I will conclude my testimony. [LB438]

SENATOR SULLIVAN: Thank you. Senator Kolowski. [LB438]

SENATOR KOLOWSKI: Thank you, Madam. John, I think with the attitude that all kids can learn... [LB438]

JOHN BONAIUTO: Yes. [LB438]

SENATOR KOLOWSKI: ...all schools can change, and all schools can get better. If we don't have that in our mantra as far as moving forward to improve on schools like this, I'm for this bill totally. I thank Senator Adams for bringing this forward. It does complete the circle, as was said, and it takes us to a whole new level of assistance and accountability that I think we've never been at before. [LB438]

JOHN BONAIUTO: Couldn't agree more, Senator. [LB438]

SENATOR KOLOWSKI: Thank you. [LB438]

JOHN BONAIUTO: Yes. Thank you for your time. [LB438]

SENATOR SULLIVAN: Thank you, John. Any others wishing to testify in a neutral capacity? Senator Adams. [LB438]

SENATOR ADAMS: I'll keep my closing very short. I think that you've heard from me and from the testifiers that this is the next step. And this may not be the way to go, but I challenge you as a committee if this isn't, then as a committee you need to decide what the next step is. Just allowing continuation of the negative doesn't get us anywhere. It just doesn't. So whatever your decision on the bill, I'll certainly live with that, and I realize the \$4 million in and of itself is problematic. But what is going to be the next step? What's the best way to approach these things? I'd end my closing right there. [LB438]

SENATOR SULLIVAN: Thank you, Senator Adams. Any questions for the senator? All right. Thank you. That closes the hearing on LB438. Let's move right on into LB253.

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[LB438]

SENATOR ADAMS: And watch how fast this goes. (Laughter) Greg Adams, A-d-a-m-s, District 24, a bill down from Revisors. It's very technical in nature. On page 2, if you go to lines 23, 24, and 25, you will see what's going on. We're just updating language. Thank you very much. (Laughter) [LB253]

SENATOR SULLIVAN: Any questions for the senator? [LB253]

SENATOR AVERY: Is this your priority bill? (Laughter) [LB253]

SENATOR ADAMS: The way all my other stuff has been going, it might very well be. This would be the safest one. [LB253]

SENATOR SULLIVAN: Okay. With any luck you might not even have to move very far from that seat. Anyone wishing to testify in support? [LB253]

SENATOR ADAMS: That's typical. [LB253]

SENATOR SULLIVAN: Opposition? Neutral capacity? Senator Adams? [LB253]

SENATOR ADAMS: And I'll waive closing. [LB253]

SENATOR SULLIVAN: Okay. That closes the hearing. [LB253]

SENATOR SEILER: We'll open on LB410. Senator Sullivan, you're on deck. [LB410]

SENATOR SULLIVAN: (Exhibit 1) Thank you very much, committee. And work with me now, hang in here. I'm Senator Kate Sullivan, K-a-t-e S-u-l-l-i-v-a-n. And what a way to end the day with the technical bill that is bursting with enthusiasm and variety, but it's a necessity. It is the annual technical bill for preschool through high school education. And I have to say it's sort of a joint effort between the Department of Education and us as a committee, because some of the things that are in this technical bill came from legislation that we passed but then the department assimilates that and then comes back with a recommendation for specific changes in statute. But ultimately, it will be us as the committee that go through this and send the technical bill to the Legislature. And I will say, too, that some of this was contained in the technical bill from last year that remained on General File at the end of the session. And so it wasn't prioritized and so it was never heard on the floor and, of course, never dealt with and passed. So that's in part what we're dealing with today. So what I'm going to cover are some of the more substantive provisions of the bill. There is someone here, obviously, Brian from the department is here, and he will hopefully answer any detailed questions that really I'm not in the position to address. So that being said, let's start. But one thing I'll...the very

first one I'm going to deal with is a feature that's in the bill, but then I'm going to ask you via an amendment not to adopt it. And what it says is: adding tuition paid and transportation fees paid to other districts that's incorporating that into the GFOE for calculating state aid. The amendment that I'm going to offer--if the pages could pass this out--simply strikes that because what we've discovered is that if we left that in, it would actually add over \$13 million to TEEOSA for the '13-14 school year and over \$17 million for the '14-15 year school year. So it's sort of, yes I want it, no I don't, (laughter) if that makes any sense. So that's the first one. Now to start through the other laundry list of technical revisions or provisions. The first one has to do with requiring the admission of children who turn five between August 1 and October 15 who meet current eligibility requirements. A couple of years ago, we changed the date for kindergarten eligibility to July 31, but there's still that window of time from August 5 to October 15. And currently a school board can decide whether or not to admit children in this age group who attended kindergarten in another jurisdiction, anticipates relocation to another jurisdiction that would allow admission, or has demonstrated their capability to carry the work of kindergarten through a recognized assessment procedure approved by the board. Prior to this, a school board could have said, okay, yeah, you meet one of these but we're still going to make the final decision as to whether to admit that child to kindergarten. Under this provision, it says if a child meets any one of those three provisions, then they have to be admitted for kindergarten. Secondly, another provision allows students to move after February 1, or whose district merges after February 1, to apply for option enrollment without being released from the resident district for the following school year. Currently, the students would have to apply within 30 days of the move or merger. The third provision is clarifying that the enrollment option program does not relieve parents of compulsory attendance obligations, particularly while waiting for acceptance of that application. A fourth provision is, requires districts to charge fees sufficient to cover the costs for transporting option students and eliminates the requirement for the department to reimburse school districts for transportation expenses for option students who qualify for free lunches. Districts are already allowed to charge fees for option transportation unless the student qualifies for free lunches or has a disability. A fifth provision modifies reporting requirements related to student absences, reducing the frequency of reporting from monthly to quarterly, and removes nonpublic schools from the requirement. Another provision, it eliminates an exception to spending limitations for payments for the transfer of land. I'll restate that. It eliminates an exception to spending limitation for payments for the transfer of land. This budget exception simply has not been used, so we're eliminating it. An eighth provision is, it allows programs funded by the Early Childhood Education Endowment Cash Fund to continue serving at-risk children who turn three until the end of the program year. Under current language, it limits participation to those programs to children who are not yet three. Another provision, it replaces the terms "mentally retarded" with "intellectually disabled"; and "behaviorally disordered" with "emotionally disturbed." And that just coincides with new federal terminology. Another provision, it clarifies that the final deadline for distance education equipment reimbursement applications is July 1, 2013,

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and that the final disbursements will be made in fiscal year 2013-14. This...I should clarify, this in any way does not change the current law; it just really states what we really meant to have happen. And another provision, it simplifies the definition of private postsecondary career schools and increasing the required fund balance for the Tuition Recovery Cash Fund. In essence, the...and to explain, the Tuition Recovery Cash Fund is to reimburse tuition to students who were harmed by a private, postsecondary career school that ceases operation without refunding tuition. So there's that safeguard for students. Another provision is, it authorizes the use of the prior year annual financial report for calculation of TEEOSA when the annual financial report is not filed by the deadline. The Commissioner may direct the withholding of state aid and property taxes, but the data is necessary to complete the calculation process for other districts. Whew. Those are the main substantive provisions of the bill. I will conclude by saying Brian Halstead is here from the Department of Ed to answer any specific questions relative to what I have just said. [LB410]

SENATOR SEILER: Seeing none, you are dismissed. Brian, you're on the hot seat. [LB410]

BRIAN HALSTEAD: Good evening, Senator Seiler and members of the Education Committee. For the record, Brian, B-r-i-a-n, Halstead, H-a-l-s-t-e-a-d. I'm with the Nebraska Department of Education. We're here in support of LB410 with the amendment that Senator Sullivan has offered to you. As she indicated, this bill is put together because various entities tell us at the department about concerns or issues and we compile them together and present them to you for your consideration. Senator Sullivan did a wonderful job explaining what all of the changes are in this bill and the rationale for it. I don't know that I need to add to it. The changes about the absenteeism report: Three years ago, the Judiciary Committee put that in as an attempt to address absenteeism that was being found. What we found over the last couple of years is those monthly reports don't provide us with good usable data, and largely the problems we're addressing are exclusively found in the public school districts. The nonpublic schools have very, very few absentee issues, which isn't surprising since the parents are having to pay directly for that. There's a little more motivation. Also, that the monthly report were aggregated data. And in talking with our data advisory team, which is made up of our public school districts, and their thought process, they would prefer to submit to us on a quarterly basis individual student attendance data, which is what we've been using in all of the reports, to show that attendance really matters. So that is in this. It is something I know Senator Ashford was supportive of, the Truancy Task Force report that was due last July 1 and ultimately September 1. The other change is to move the date for that task force report to October 1 because you need time to analyze not only the whole year's data, but also the NeSA test scores, because we're using that to look at student achievement and whether missing school impacts it, which it clearly does. So that's why that date is being moved. The other change with regard to the kindergarten statute 79-214 is clarifying old language that seemed to remain in place this past year

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when we went to amend Rule 10, our accreditation rule, to put in the changes that the Legislature had done two years ago with the kindergarten entrance age. The Attorney General's Office indicated to us their review of that statute meant that the "may" word where a board may admit, really, after all of the changes you've made, is "shall." And what we told the Attorney General's Office is we will draft technical legislation to clean that up, and that's what that section of the bill is doing. It really doesn't change anything. Our research appears to indicate the word "may" was in there back in the day when school districts weren't even required to offer kindergarten and it's hung on this long as obviously an oversight. With that, I'll end my testimony and I'll answer all of the questions you might have. [LB410]

SENATOR SEILER: Senator Davis. [LB410]

SENATOR DAVIS: Senator Sullivan did a great job, but I'm slow at writing down and listening, so if you have the cover sheet that she had; do you have that, Brian? [LB410]

BRIAN HALSTEAD: Yep. [LB410]

SENATOR DAVIS: Can you just review four and five for me? [LB410]

BRIAN HALSTEAD: Okay. Four, the statutes currently call for us at the Department of Education to reimburse school districts for transportation expenses for option students who qualify for free and reduced lunch, and maybe it's just free lunch. I have to look the actual. The reality is, with the recession of 2001 after 9/11 and the budget cuts that we took at the department, the Legislature stopped funding that and has never reinstated the funding for that. So we're thinking, after about 11 years of not getting the money, maybe we ought to take the language out of the statute that says we'll do something we don't have the funding for. [LB410]

SENATOR DAVIS: Okay. [LB410]

BRIAN HALSTEAD: So that's what that one is. And the other one, Senator, was? [LB410]

SENATOR DAVIS: Was number six. [LB410]

BRIAN HALSTEAD: I think that's just...and I think she's amended that also. I think it's making sure that, for transportation purposes, who is subject to the fees and who is not. The transportation allowance doesn't apply to students residing in a Learning Community who qualify for free and reduced-priced lunches. There was some confusion as to making parents pay for transportation, and we're just making it clear that in 611 doesn't override what you guys have done for the Learning Community. [LB410]

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SENATOR DAVIS: Okay. Thank you. [LB410]

SENATOR SEILER: Senator Kolowski. [LB410]

SENATOR KOLOWSKI: Thank you, sir. Brian, the reimbursement for transportation...I'm trying to get a simple language on it, reimbursement for transportation and the Learning Community for option enrollment students then continues? You are paying for that? [LB410]

BRIAN HALSTEAD: No. We don't have any money at the department to pay for it. What is in...I've got to find it, which section of the bill, in 79-241, Section 5 is where you find language about the department reimbursing school districts for option enrollment. All right? [LB410]

SENATOR KOLOWSKI: Okay. And then you do that? [LB410]

BRIAN HALSTEAD: No, we don't have the funds anymore to do that, haven't had them for 11 years. And we're thinking since the Legislature has not appropriated the money for us to reimburse school districts, let's get rid of the language in the statute that says that will be done. [LB410]

SENATOR KOLOWSKI: So no one is qualifying at the present time... [LB410]

BRIAN HALSTEAD: Nobody is getting reimbursed. [LB410]

SENATOR KOLOWSKI: ...in the Learning Community for any transportation reimbursement? [LB410]

BRIAN HALSTEAD: That's...keep in mind, we're talking that one is option enrollment. [LB410]

SENATOR KOLOWSKI: Option; not open enrollment. [LB410]

BRIAN HALSTEAD: In the Learning Community you have open enrollment. [LB410]

SENATOR KOLOWSKI: Open enrollment, right. [LB410]

BRIAN HALSTEAD: Different program. [LB410]

SENATOR KOLOWSKI: Okay. So that's not the program you're talking about. [LB410]

BRIAN HALSTEAD: No. No, no, no, no. [LB410]

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SENATOR KOLOWSKI: Just want to make sure. Thank you. [LB410]

BRIAN HALSTEAD: Option enrollment; open enrollment. [LB410]

SENATOR KOLOWSKI: Open is being reimbursed. [LB410]

BRIAN HALSTEAD: That is through the state aid formula and all of that. We're not taking that away. This is option enrollment only. [LB410]

SENATOR KOLOWSKI: Thank you. I appreciate your clarification. [LB410]

SENATOR SEILER: Senator Avery. [LB410]

SENATOR AVERY: Thank you, Senator Seiler. I'm just curious about the new section that you added on page 68, Section 24. [LB410]

BRIAN HALSTEAD: Yep. [LB410]

SENATOR AVERY: Do we really have superintendents that fail to submit their TEEOSA data by the deadline? [LB410]

BRIAN HALSTEAD: We haven't recently. This past year, for the first time, I believe ever, everybody got their data in by the due date. [LB410]

SENATOR AVERY: For the first time? [LB410]

BRIAN HALSTEAD: For the first time. Because, keep in mind, and I'm not here to defend what's gone in the past... [LB410]

SENATOR AVERY: It's certification. I got it. [LB410]

BRIAN HALSTEAD: But the reality is local school districts, their AFRs and audits are done primarily by private CPAs they hire, and the window between September 1 and November 1 for the auditors to do 249 school districts is a tight window, according to the auditors. This year we got them all in on time. This is a, all right, what happens if we don't get the AFR? And we realize there's nothing in about not getting the AFR and what we would use if we never got an AFR. So we're...this is a fail-safe language. It's modeled after the same language you currently have in statute about the audit, which is due five days later than the AFR. So all we're doing is, this is a stopgap measure we hope never to use. But if that happens, we will use the prior year's AFR because the formula calls for that. [LB410]

SENATOR AVERY: Or, as item 2 says, you'll use the most recently available complete.

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[LB410]

BRIAN HALSTEAD: Right. Right. So that would be the prior year's AFR data. We've never...I don't believe we've had to use it in a long time. So we're just realizing let's get it into statute so we have it in place. [LB410]

SENATOR AVERY: And it's going to cost us \$13,000 to do it? [LB410]

_____: Thirteen million. [LB410]

SENATOR AVERY: Thirteen million? [LB410]

BRIAN HALSTEAD: No, no. The \$13 million Senator Sullivan has taken care of with her amendment. There's no cost for the bill now. [LB410]

SENATOR AVERY: Oh, that's right. [LB410]

BRIAN HALSTEAD: And that change...that suggestion didn't come from us at the department, by the way. It came from an entirely different source. And after looking at it realized, nope, we don't want to do that either, so. [LB410]

SENATOR SEILER: Any further questions? Thank you, Brian. Any further proponents? Seeing none, any opponents? Seeing none, anybody in the neutral? John, you're not going to be neutral? (Laughter) Thank you. Senator, do you care to close? [LB410]

SENATOR SULLIVAN: Just briefly. I don't want to gloss over this. It is a technical bill. There are a lot details to attend to, and Brian has answered your questions. But rest assured, we as a committee will go through this again because, as I said, you know, they've played it back to us as some changes, but we're the ultimate deciders of what we send to the floor. So we will go over these provisions in detail and make sure you're comfortable with them before we do anything with it. So with that... [LB410]

SENATOR SEILER: Any further questions? Yes. [LB410]

SENATOR SCHEER: Can you go over it again? I missed my... (Laughter) [LB410]

SENATOR SULLIVAN: No, I can't. (Laughter) [LB410]

SENATOR SEILER: The Chair rules him out of order. Thank you. That closes the LB410. [LB410]

SENATOR SULLIVAN: And this closes the hearings for the day.