

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Education Committee January 25, 2021  
Rough Draft

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**WALZ:** Welcome, everybody. Welcome, Education Committee members. What I'd like to do, first of all--

**LINEHAN:** --even if they're 40.

**DAY:** Yeah, right, right, right.

**WALZ:** --let's go through just a few of the COVID-19 hearing procedures before we get started. So for the safety of our committee members, staff, pages, and the public, we ask those attending our hearings to abide by the following procedures. Due to socially distancing requirements, seating in the hearing room is limited. We ask that you only enter through the hearing room when it is necessary for you to attend the bill hearing in progress. The bills will be, be taken up in order posted on the outside of the hearing room. The list will be updated after each hearing to identify which bill is currently being heard. The committee will pause between each bill to allow time for the public to move in and out of the hearing room. We request that everyone utilize the identified entrance and exit doors to the hearing room. We request that you wear a face covering while in the hearing room. Testifiers may remove, remove their face covering during testimony to assist committee members and transcribers in clearly hearing and understanding the testimony. Pages will sanitize the front table and the chair between testifiers. Public hearings for which attendance reaches hot-- seating capacity or near capacity, the entrance door will be monitored by a sergeant at arms who will allow people to enter the hearing room based on-- based upon seating available. Persons waiting to enter the hearing room are asked to observe social distancing and wear a face mask covering while waiting in the hallway or outside the building. The Legislature does not have the ability, due to the HVAC project, of an out-- overflow hearing room for hearings, which attracts several testifiers and observers. For hearings with large attendance, we request only testifiers enter the hearing room. We ask that you please limit or eliminate your handouts. And with that, I'd like to welcome everybody to the Education Committee public hearing. My name is Lynne Walz from Legislative District 15 and I serve as the Chair of this committee. The committee will take up bills in the posted agenda. Our hearing today is your public part of the legislative process. This is your opportunity to express your position on the proposed legislation

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before us today. To better facilitate today's proceeding, I ask that you abide by the following procedures. Please turn off or silence cell phones or other elect-- electronic devices. The order of testimony is introducer, proponents, opponents, neutral, and closing remarks. If you will be testifying, please commit-- please complete the green testifier sheet and hand it to the committee clerk when you come up to testify. If you have written materials that you would like distributed to the committee, please hand them to the page to distribute. We need 12 copies for all committee members and staff. If you need additional copies, please ask the page to make copies for you now. When you begin to testify, state and spell your name for the records. If you are not going to publicly testify, you can turn in written testimony with a completed green testifier sheet. If you would like your position known, but do not wish to testify, please sign the white form at the back of the room and it will be included in, in the official record. If you are not testifying on purpose-- in person and would like to submit a written position letter to be included in the official hearing record as an exhibit, the letter must be delivered or emailed to the office of the Committee Chair of the-- to the Committee Chair of the committee conducting the hearing on the bill or LR by 12:00 p.m. on the last work day prior to the public hearing. Additionally, the letter must include your name and address, state a position of for, against, or neutral on the bill or LR in question, and include a request for the letter to be included as part of the public hearing record. Please speak directly into the microphone so our transcripts-- so our transcribers are able to hear your testimony clearly. Finally, please be concise. Testimony will be limited to five minutes. We will be using the light system. Green is five minutes remaining. Yellow, you have one minute remaining. And you should wrap up your comments when you see red. The committee members with us today will introduce themselves beginning at my far right.

**McKINNEY:** Hi. Senator Terrell McKinney, representing District 11.

**MURMAN:** Hello, I'm Senator Dave Murman from District 38: Clay, Webster, Nuckolls, Franklin, Kearney, Phelps, and southwest Buffalo County.

**PANSING BROOKS:** Patty Pansing Brooks, Legislative District 28, right here in the heart of Lincoln.

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**MORFELD:** Adam Morfeld, District 46, northeast Lincoln.

**LINEHAN:** Lou Ann Linehan, Legislative District 39: Elkhorn, Waterloo, and Valley.

**DAY:** Jen Day, District 49, northwestern Sarpy County.

**WALZ:** I'd like to introduce the committee staff. To my immediate left is research analyst Nicole Barrett and to my right, at the end of the table, is committee clerk Kristina Konecko-McGovern. And our pages today, welcome, are Natalie Reynolds from Wesleyan and Ryan Koch from UNL. Please remember, please remember that senators may come and go during our hearing as they may have bills to introduce in other committees. I'd also like to remind our committee members to speak directly into the microphones and limit side conversations and making noise on personal devices. We are an electronics-equipped committee and information is provided electronically as well as in paper form. Therefore, you may see committee members referencing information on their electronic devices. Be assured that your presence here today and your testimony are important to us and crucial to our state government. Lastly, a reminder to please allow the pages to sanitize between testifiers. And with that, we are going to open committee, committee today with a report from the early childhood education, early childhood education. And we're going to welcome Melody Hobson, administrator of-- administrator from the Office of Early Childhood Education. Welcome, Melody.

**MELODY HOBSON:** Thank you. Good morning. For the record, I am Melody Hobson, M-e-l-o-d-y H-o-b-s-o-n, and I am the administrator of the Office of Early Childhood Education at the Nebraska Department of Education. And I will apologize a little bit, the administrator at the Nebraska Children and Families Foundation, which is the endowment provider, was planning to be here. However, the weather kept her in-- out in the country, so I will be presenting both of the reports and I may have to ask to get back with you with some of the information. So anyway, I'll start with the Early Childhood Program Report, which is the front and back sheet. My name-- like I said, my name is Melody Hobson. The Early Childhood Grant Report-- Grant program began in 1991. There were only a few grantees. I think there were about ten to start out with. In the 15 years that followed, the program stopped being a pilot and then had several rounds of funding and then it built

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up to approximately 40 school districts that operated a program with grant funds. With legislation allowing school districts to count their four-year-olds in the state aid formula, the number of inclusive early childhood programs grew very, very quickly. At the time that four-year-olds were included in state aid, most districts received TEEOSA and that is not the case now. During the 2019-2020 school year, there were 220 school districts and educational service units that operated early childhood programs. The remaining districts are very, very rural and have very few children and that may or may not be the appropriate type of early childhood services for them to, to offer. In the 1990s, the program report consisted of data on the grant programs only. There were other early childhood programs, such as early childhood special education programs, which were, were primarily for children with disabilities. And usually there were a few typically developing children in them that, that were considered peer models. We did not report on those, but with the growth of, of the early childhood programs in the last ten years, we had just an explosion of very inclusive programs. The, the point of the early childhood program is to serve children the best we can in inclusive environments, not only ability wise, but income wise and culture wise. So at that point, we would have, have school districts that had grant funding one year and then may not have it the next year, so it seemed a little counterproductive to report only on grant programs. So we broadened it and we report on all early childhood programs operated by school districts and educational service units. So that 220 school districts includes school districts that have a grant, school districts that formerly had a grant, school districts that broadened out their early childhood program with their own funds or with TEEOSA funds, and then Sixpence programs, as well as children with disabilities that are served by either Part C early intervention or Part B, 619 preschool/early childhood. Sixpence does do its own very in-depth early childhood program report. During the '19-20 school year, schools and ESUs partnered a lot with Head Start programs who were in the area, sometimes with childcare, but the partnerships look very different. In some places, it was a combined enrollment and all children were served in the same classroom. In other places, there was kind of a, a coordinated enrollment so that children who were eligible for Head Start would go to the Head Start program. Children who are eligible for the grant program, which has a higher eligibility threshold, would go there so that they could serve the most children

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in the most places. Sometimes Head Start would serve three-year-olds and the school district would serve four-year-olds, so it depends. It's a very-- it's a variety of program models. Each, each local community can choose the, the, the way they serve. We do, we do highly encourage inclusive models to make sure that the best use of public funds, both federal and state, are being used and the most kids can be served and also because it's just good practice to make sure that the kids in a community are receiving high-quality early education and care. So there are four dif-- four eligibility criteria that are stated in statute. They are for families with low incomes, which, which is translated to mean free and reduced lunch, children who were born at a low birth weight, as verified by a doctor, or prematurely, families whose primary language is not spoken English, or children of teen parents or parents who have not yet finished high school. And I do have to reiterate that all early childhood programs are voluntary on the part of families. They may be offered. Parents may choose to, to enroll their children in them, but it is never a requirement. This is something that is created for the benefit of children and their families. But again, it is entirely up to the family, whether they-- whether it-- whether they can-- whether they choose to participate. Normally in most years, we do an Early Childhood Program Report that includes both child outcome data, which is, which is measured by the TeachingStrategies GOLD child observational assessment. We use an observational assessment, which means that children are, are being observed throughout their day, in their routines, in the, in the typical things of the classroom. Teachers get information from families and then they are-- those, those observations are, are reported and then they are scored according to set criteria. That is the most developmentally appropriate way that-- the idea-- this is not a high-stakes assessment. It should not be for preschoolers for this purpose. It is to know what kids can do, what they're able to do, and what they know, and then by the end of the year, how much they had grown in their development and their knowledge throughout the program year. Unfortunately, this year we didn't have an end to the program year like we planned. We had beginning data on young children, but it would have been meaningless to, to report on how the children have grown because we didn't have that spring data. Likewise, we, we observe and we report on the quality of the early childhood classrooms. We do not have the, the-- either the, the manpower or the, the money or the ability to observe in more than 1,000 classrooms a

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year, but we do a sampling. We do new grants, programs that are new that have not, not been in operation before to kind of help them get test-- get some baseline data and, and to know kind of what they need to work on and what they're doing really well with. And then we do follow-ups in the spring so that we know how they've grown, what kind of technical assistance they need, and then we do a sampling of, of some other programs as well. Sometimes when there's a new teacher, we try to make sure that we get in to make sure that the, the teacher gets off on a really good start. We did about 55 observations in the fall of last year. Again, we were not able to go out in the spring. I think we scheduled maybe one or two before everything shut down. So we did not report on that because, again, it would have been relative-- we have a little bit on there, but not nearly the amount that we, that we like to give. So when we look at the front and back-- so it's very, very short this year. It's, it's-- it tends to be what-- kind of like a summary, like, of, of what we would do in a normal year. So we have demographic data so that you can see what, what the-- the, the, the children, the children that were a part of the programs, of course the kids count, how many-- what percentage of the kids met at least one risk factor. And again, I have to, I have to go back to the purpose of the early childhood programs in statute was not to provide a core-- a categorical program where all children had, had some sort of a, a risk factor or a disability or, or all were speaking-- were not speaking English. The idea was to be inclusive. Research shows that children learn best when they are in a very diverse classroom. Kids can-- kids tolerate adults, but they really learn a lot from other kids. Sometimes that's good, sometimes it's not so good if you've had, you know, kids who have learned things that you wish they hadn't. But in a classroom, the teacher sets the tone. The teacher helps children learn, helps children interact with others. And then children who are more developmentally farther along are able-- like older kids model behaviors and model language for younger children and the language is especially important at the preschool level. That is something that, that is a precursor to reading skills and so it is critical. So again, the statute was act-- was, was very forward thinking, used the best research available. So they are supposed to be served, but within an inclusive environment. So you will see not every child does have some-- one of the risk factors. The other thing that you probably need to know about the early childhood program is that each school district or educational service unit operates to their capacity. Within the

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last 15 years, early childhood-- school districts have really begun to understand how important those early years are. And they know once the kids get into school, if they've had a good foundation in the first five years, they're more likely to do well in elementary school and then that carries on to middle school and high school. So with that, there are some very rural schools that, you know, don't have a lot of children in the community anyway. They may serve every child whose parents wants them to go. In more urban areas, they don't have the capacity. So in some of the areas, especially the larger cities, they may apply for a grant and we may have given them expansion grants at different times, but they do not-- like Linc-- the-- Lincoln and Omaha's and Kearney's and Grand Island's are nowhere near serving all of the kids whose parents want them to attend. And so some of those have, have waiting lists of hundreds of, of kids. So that's something that you probably, you know, should be aware of. Anyway, one of the things we did report on that we didn't ever used to have to report was the response to COVID. And so one of the things that the staff did-- and school districts were very responsive and given eve-- given all the other things that they were trying to do, they-- we had 149 responses out of 220 school districts. And so we asked a few basic questions about, you know, are you serving kids in the spring? What, what does that, that-- those services look like? And so 77 percent said they continued programming after the school closures. Sometimes that was they would have packets of activities that they could have available for parents to drive through and pick up. Sometimes they delivered them to families. Sometimes they did some modified Zoom coursework with preschoolers. While it is not ever a good idea to expect preschoolers to sit for three hours in a Zoom meeting-- besides that, you probably can't get them to sit-- but they could do shorter, shorter blasts. They could do parent, teacher, and family conferences through Zoom or through phone calls. And they could provide some of that information that the parents could then use with their own children. So a lot of things happened; 80 percent provided meals to the families, 94 percent said they offered services at least weekly-- educational services, 75 percent offered digital support. Now that's a broad-ranging category. It could be a number-- it could be this is how you log on. It could be some additional things. And then 80 percent supplied instructions to connect with, with teachers so that they could maintain those relationships. So with that, I will end the Early

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Childhood Program Report part. And if you have any questions, I'd be happy to answer them.

**WALZ:** Questions for the committee? Senator Linehan.

**LINEHAN:** Thank you, Chairman Walz. So 112 districts-- I'm sorry-- 112 districts reported. They don't have to report, it's just whether they want to or not?

**MELODY HOBSON:** No. All schools, all schools have to report certain things. In the fall, every school district, whether they have an early childhood program or not, has to fill out what we call an early child-- we call this an early childhood program report too. Apparently, we need to be more original with our names. But they send it to the department. It, it talks about everything that they do that's in compliance with all the parts of Rule 11, so they do report that. All schools also have to assess their children using TeachingStrategies GOLD and that information is also reported to us. Finally, they don't have a choice, but to, to participate in program quality assessments. When we, when we pick them-- and, and we don't really pick them at random, but when we do pick the classrooms, they, they are all-- always amenable to having us there. Maybe not excited, but amenable.

**LINEHAN:** Maybe I didn't ask the question correctly.

**MELODY HOBSON:** OK.

**LINEHAN:** On this sheet--

**MELODY HOBSON:** Yes.

**LINEHAN:** --it says 112 districts shared information regarding program. So--

**MELODY HOBSON:** Oh--

**LINEHAN:** --we don't know what the other--

**MELODY HOBSON:** --that was--

**LINEHAN:** --200 or other 100--



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**MELODY HOBSON:** Yeah.

**LINEHAN:** --from--

**MELODY HOBSON:** So the survey-- this, this blue box down here?

**LINEHAN:** Uh-huh.

**MELODY HOBSON:** That was the survey that we did not require them to--

**LINEHAN:** OK.

**MELODY HOBSON:** --to do. The other reporting they have to do for this, like I said, they-- many of them did, but not all of them provided all the same information and some of them didn't report.

**LINEHAN:** OK, so there's 220 districts that have--

**MELODY HOBSON:** Yes.

**LINEHAN:** --programs. OK, thank you.

**WALZ:** Other questions? Senator McKinney.

**McKINNEY:** How are you doing?

**MELODY HOBSON:** All right.

**McKINNEY:** What could be done to, to decrease the waiting lists in larger school districts?

**MELODY HOBSON:** Well, that would require significant funding. School districts-- when they get a grant, school districts have to-- it was designed so the school district had, for back-- lack of a better term, skin in the game. So for-- like if they have a \$100,000 grant, they have to match that with \$100,000 so it's a full match. Now they can use federal dollars or state dollars, which is a little different than some other places. But they have to use the best-- use all of the sources of income that they can to support it. Sometimes it's, it's, it's local school district funds. They are allowed to, to charge a fee, but the fee must be on a sliding scale so that the families who need it the most don't pay anything and-- but they're not required to, to charge a fee. So it would be a significant amount of money and I

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have not calculated how-- like how much in Omaha or how much Lincoln would, would need additionally. But the, the classroom-- the full-day classrooms, generally it takes about \$120,000 in funding for-- by full day, which means six hours a day, not full working day. Because school districts are required to have a certified teacher, they're teaching at all times, and then paraeducators that have at least 12 college credit hours in early childhood education or the equivalent and there are some specific equivalencies. And so it-- they tend to have a lot better ratios. They're not rec--- they're required to have one certified teacher for every classroom of up to 20 children, so they can't pack kids in. And generally, school districts like to operate at about 16 to 17 kids with a couple of adults because it's, it's critical that the interactions are, are positive and frequent and that's what-- how children learn. So there are two adults for every, every classroom. It does require a lot of-- it seems like it wouldn't, but it does require a lot of, of outside prep time because every day, you're looking at what children have done that day and modifying your-- much more so probably than I would say-- you know, high school teachers would probably beg to differ, but, you know, more than high school teachers because you, you have every-- you have 20 lesson plans, essentially, every day. And then you have to, you know, observe and, and put your notes in every night and keep that up to date. So it is very labor intensive, so it would be significant dollars.

**McKINNEY:** OK, thank you.

**WALZ:** Thank you. Other questions from the committee? Senator Day.

**DAY:** Thank you, Chair Walz. So just as a more general point, I-- if I'm hearing you correctly in terms of the importance of the early childhood programs, it's less about educational rigor and more about the socialization that they get in interacting with their peers and parallel play and things like--

**MELODY HOBSON:** Yes.

**DAY:** ---that that they wouldn't---

**MELODY HOBSON:** Yes.

**DAY:** --otherwise get in, maybe like a home environment--

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**MELODY HOBSON:** Right.

**DAY:** --or--

**MELODY HOBSON:** Well, what-- I mean, home environments are, you know, are wonderful and they are to, to add to home environments. The one thing that, that group activities do is help children who are, like, only children or they're the oldest and they have a baby brother or sister. That baby brother or sister is not a lot of help with, with language. The classroom itself is an excellent place to, to build that language. It is also some place-- a few years ago, we, we heard a lot about what they call executive function. Those are basically the-- it's the, the ability of children to be able to-- well, first of all, to delay gratification, to begin to plan ahead, to order their day, to, to negotiate. One of the things that-- what-- reasons that play is so important in young children is if you've ever watched a group of three and four-year-olds who are, like, in the dramatic play section, they will spend 15, 20 minutes negotiating who's going to be the mom and who's going to be the dog. And they, they become-- in, in a high-quality program, there's a lot going on. Kids learn from that. They learn, you know, it's not always going to come to me. It's not always-- I have to be able to, to broaden my horizons. Even children who are very, very shy, they learn to, to interact. Children who are very verbal learn to put, put some limits and so it really does help the-- one of the things we hear from kindergarten teachers is that a majority of them think that kids do not come into kindergarten with the appropriate self-regulation skills. Many of them, you know, that-- I've heard more, more times than I care to that, you know, I can teach the kids the, the, the content. I-- they have to be prepared to, to do that. Even with kindergarten, I would say they need to be up and around doing more than, you know, but then-- but, yeah, I-- you're, you're correct. It's, it's, it's more than just social, but it's also verbal and it's also-- when I was a kid, we called it maturity. It's, it's, it's-- there's a lot more. They're-- kids, kids are so multidimensional. It-- they, they're just learning so much. I'm sorry, I'm a little bit-- out-- children-- I, I love watching children because they're way more interesting than adults.

**DAY:** Thank you.

**WALZ:** Senator McKinney.

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**McKINNEY:** Could there possibly, possibly be some type of partnership with local, with local childcare centers--

**MELODY HOBSON:** Yes.

**McKINNEY:** --to, to assist with decreasing the waiting list in communities?

**MELODY HOBSON:** Yes, absolutely. It, it-- we, we do encourage that. However, it is a little bit more-- I wouldn't say more difficult, but because we do require a certified teacher or at least a teacher who is-- there is a possibility for a waiver now, within the last couple of years, within the statute and regulation. But, but you have to have a lot of foundational knowledge and it's not really available to, you know, people out of high school. There are such disparities between what is required in childcare licensing and what is required, required in school districts. Sometimes school districts-- I would love to see more of that, but it is, but it is an expensive undertaking. That is probably the ideal because school districts don't have the, the lock on, on learning. Kids learn everywhere. Kids don't learn from 9:00 till 12:30, take a break, and then come back and learn in the afternoon. I mean, they're learning at all times. They're learning in childcare. And ideally, the best situation would be-- in the best of all worlds, children would be in this very-- interaction and academic rich. And I hate-- I don't use the term academic with preschool very often, but learning supported from the time their parents drop them off at 6:00 in the morning and-- till they get off work at whatever time. And the, and the adults make the adjustments, not the children.

**McKINNEY:** OK.

**MELODY HOBSON:** So, yes. That's a long answer to a short yes. I'm sorry.

**WALZ:** Senator Murman.

**MURMAN:** Yes, thanks for coming in. Are the pre-K programs typically all day or half day or how does that work?

**MELODY HOBSON:** They're both. We have-- and I did look at-- we have-- oh, it's here-- 340 full-day classrooms and 705 part-day classrooms.

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**MURMAN:** And I think we all realize how important it is to have parental involvement with their children, interaction, especially young children before kindergarten. How much-- or how is that encouraged in the [INAUDIBLE] program?

**MELODY HOBSON:** There are several ways. The, the regulation that, regulations that school districts have to abide by for programs that are birth to kindergarten-entrance age, whether they're infant, toddler, or preschool or whatever, it's called Rule 11. And Rule 11 requires that they have a plan for cert-- for parental involvement and that they have an advisory committee that they highly-- and well, we highly encouraged families to be a part of so the families are helping to drive what's happening in the school district. And additionally, they have-- family-- school districts have to provide at least two home visits. And the home visits, ideally, they're in the child's home because you see a different, you see a different side of children sometimes when, when they're at home than when they're at, you know-- they love to show you their toys. They love to show you, you know, their little brother. And so there are home visits. Some families may be uncomfortable with having a teacher come in, so at the parents' request, it could be someplace else. But the idea is that it's not a parent-teacher conference where you're bringing families into the teacher's turf and doing that. Now they can do both. They can do home visits and they can do parent-teacher conferences, but then they also are, are required to disseminate the, the results of their program quality and their aggregate child assessments to all families in their community. We encourage-- many times, we-- we'll, we'll have a program that will have a daily notebook that goes back and forth that, you know, child did this, child-- you know, and mom will say, you know, may write in it before the kid goes to school, did not sleep well last night. He's really, he's really crabby, you know, he-- I-- he seems to be feeling OK, but-- so that there is this ongoing communication. Until COVID and with-- some things had to possibly change a little bit. We encouraged families to-- and programs to have their, their families drop kids off within the classroom so that, that bond with the teacher was, was made and maintained. So there are a variety of different ways. Did that answer your question?

**MURMAN:** Yes, thank you.

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**WALZ:** Other questions? I have just a quick question. How do you receive the referrals for kids for early childhood education and is there an identification or a referral process in collaboration with DHHS for kids in foster care?

**MELODY HOBSON:** I would say the, the school districts-- that is, that is something that we do encourage. The school districts have-- as a, as a pre-K to 12, they are required to collaborate with foster care. At the preschool level, realistically, I am not sure how effective that is because the kids have not been in an early childhood program before. In every, in every community, the recruitment, so to speak, is a little bit different. Like I said, some-- in some places, they do a joint recruitment with Head Start. Some-- you know, many times they'll-- certainly, you know, stuff will go home from the K-12 program about the early childhood program. That's fine for younger children who have older siblings, but many times, they have to, to do a little bit more. I know of programs that have, have reached out to WIC clinics. They've reached out to immunization clinics, things like that, to make sure that the kids who, who probably have the most needs are, are available for this, to be, to be served by this.

**WALZ:** OK, thank you. Other questions? I don't think so. If you want to go into the Sixpence report, that would be awesome.

**MELODY HOBSON:** Yes. So the Sixpence program was created in 2006 with the legislation LB1-- LB1256 and it did require a unique blending of funds. The-- there are funds that are set aside from the public lands and trust funds that school districts get; \$40 million of that was set aside, so to speak. So the interest off of-- the interest earnings and proceeds off of that was-- is calculated and then that was matched by \$20 million of private funds. The private funds are managed by a private-- by the endowment provider who, at, at the time the, the bill was passed, the Department of Education did an RFP for school-- for entities that had a statewide reach who, who would-- were capable of doing the provider role and the Nebraska Children and Families Foundation was the chosen endowment provider. So they were in charge of raising \$20 million dollars and so the, the interest earnings and proceeds of that \$20 million then was combined to, to be the Early Childhood Education Endowment Fund. That money-- the-- those, those monies are-- were used to, to fund the first grants. And Sixpence is for children-- well, pregnant, pregnant women and children birth to 3.

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So the first Sixpence programs were either center based or, or were home visiting. Right now, there are 24 communities that have a Sixpence grant that, that-- well, they call them family engagement programs, which are kind of home visiting and a lot of family engagement. They will have monthly or bimonthly activities that the families can join in on, plus they do home visits with each individual family. There are center-based programs that are-- the school district operates them either-- a couple of them are in high schools, but a couple of them are not. And they're put-- you know, the, the, the kids come in for, for the day and it's just a very high-quality, center-based program. And then there are a couple of communities that actually do both. So Sixpence has done some, some really good, good evaluation and research over the years. They've seen some very good outcomes. They are evaluated by Munroe-Meyer Institute. They, they do TeachingStrategies GOLD for children like all the other early childhood programs, but they also do a couple of other program, program quality measures. They do the, the environment rating scales like the, the preschool programs do. They, they use, like, the infant/toddler environment rating scale instead of the early childhood one. But then they also-- for some visitors, they also do a number of different measures. They do a pro-- one called KIPS, it's Keys to Interactive Parenting, which helps them under-- which helps the, the home visitor and the families really develop their, their, their parenting skills and their interaction skills with young children, helping them to learn to, to really use a lot of language around children and things like that, so there are those. There are-- the Sixpence funding is-- actually has been supplemented by General Funds several different times over the past, I guess it's 15 years now. And so right now, there's-- I-- \$5 million that is in-- that comes from General Funds that is used to grant out all of that; 10, 10 percent of it is set aside for technical assistance and evaluation, but the rest goes out to grants. Then a few years ago, a third type of Sixpence program was created with some legislation in Nebraska that uses the federal Child Care and Development Block Grant Funds and they use-- they-- there is an infant/toddler set-aside with that. And so that money is also used, but it's not a center-based or family-- or home-visiting program. It's actually a program that is in collaboration with local early childhood programs. It's called a childcare, childcare partnership. We call them CCPs, so I had to go back and think, what do they call them? But those actually are in a

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number of communities. All of the early childhood programs have to be a part of, of Step Up to Quality, which is our-- Nebraska's early childhood quality rating improvement and recognition system. The, the, the school district staff go in and provide coaching and assistance and help with-- it-- like-- if, if, like, a family childcare program needs a set of blocks because the kids don't have enough materials, that's something that they can help with. They do a lot of coaching with childcare providers to help them, to help them understand areas of quality. So that-- there are nine communities, 860 children are being served by that. There are 27 family child-- home childcare partnerships and 28 center-based childcare partnerships. So they work with Family Child Care Home Is, Family Child Care Home IIs, and then centers that are all licensed by Health and Human Services. So they go in there and provide that external support. The-- you have a much more-- a much broader evaluation report. They do a lot of really nice, you know, information in it about outcomes for children and family, family engagement and so that is available for you. I am not able to give you all of those details and I am sorry. I-- until this morning, I thought that I wasn't going to be reporting on it, so-- but I can answer any questions that you might have. The, the-- it is governed by a six-person board of trustees. The six-person board of trustees includes always the Commissioner of Education or his or her designee, the CEO of Health and Human Services or his or her designee, two members that are, are suggested by the endowment provider, which again, is Nebraska Children and Families Foundation, and then a practitioner who works in a very urban community and a practitioner that works in a very rural community. And so they, they have, you know, the, the, the, the four that are not, like, state agency representatives have rotating terms on the board. They're all Governor appointed. They do a lot of good work with the communities.

**WALZ:** All right, thank you. Questions?

**MELODY HOBSON:** Yes.

**WALZ:** Senator McKinney.

**McKINNEY:** I'm looking at these graphs on page 7.

**MELODY HOBSON:** OK.



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**McKINNEY:** I'm just wondering how do we increase equity? So, for example, in 2018-2019, it may be wrong, it may be right, there were no African-Americans served.

**MELODY HOBSON:** I don't think-- I will get back with you because I don't think--

**McKINNEY:** Right.

**MELODY HOBSON:** --that's accurate.

**McKINNEY:** OK.

**MELODY HOBSON:** I will, I will look that-- I will ask and get that back to you.

**McKINNEY:** And I guess my, my other question is my district is high in poverty, but in '19-20, only made up 4 percent of the individuals served through this program. Do you know why?

**MELODY HOBSON:** Some of it-- I'm not entirely sure. I will, I will-- again, I'm sorry. I don't have all of the, the, the nitty-gritty that I would like to have with that.

**McKINNEY:** OK, and my last question, how diverse is the board of trustees?

**MELODY HOBSON:** Like most things in Nebraska, not as, as diverse as it should be. We have had-- looking back, it has not been as diverse. It-- we-- the-- there have been several people from-- let's, let's put it this way, we're a lot better at urban-rural diversity than we are at cultural diversity. And I think that is probably pretty much the way the rest of Nebraska is, but that is something that, that we tried to look at, but NCFSS does-- I know they take that into account.

**McKINNEY:** OK, thank you.

**WALZ:** Senator Day.

**DAY:** Thank you, Chair Walz. Again, thank you for being here and I appreciate you briefing us in a pinch on this issue when you didn't think you were going to have to. So kind of following up to what

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Senator McKinney was asking, it says this program caters essentially to those most likely to "encounter serious challenges to their healthy physical, social-emotional, and cognitive development." How are the families identified, like, how do they get access to this program?

**MELODY HOBSON:** OK. School districts-- again, this does go through school districts.

**DAY:** OK.

**MELODY HOBSON:** And so the school districts do a lot of outreach for-- in the local community. They do work a lot with local Early Head Start programs. They also work with other community organizations. They do, do-- they do as much as they can to make sure that they are out at community events, making sure that, that, that people throughout the community know who they are. And I would say that they probably spend a lot of time recruiting every, every year, as they have a few openings. They, again, are very involved in local community, community agencies. Most all of them-- a number of communities are a part of, like, local early childhood initiatives, like "Together for Kids and Families" or Communities for Kids or they have, like, a local, local early childhood, like, cooperative or council or, you know, and so they do try to make sure that they are always at the table.

**DAY:** OK, yeah, it just-- thank you. This seems like a really wonderful program because it combines both of what Senator Murman and I were talking about. It combines the early childhood education portion, but also encourages parent involvement in that. And so I think it would be great if we could provide access to this program for more families in certain demographics, so I was just wondering how we could--

**MELODY HOBSON:** Yeah, every- again, the, the programs are-- the, the, the board of trustees monitors each program at every meeting too. The, the technical assistance staff look at, at enrollment and the threshold for enrollment and participation is at least 85 percent. It-- because it's sometimes, you know, kids, kids age out or families move or something like that, but-- so the idea is every program needs to be fully enrolled. And so the board of trustees takes that into consideration and with, OK, what steps-- if they're not, what steps are you taking to, to increase your enrollment? I know there are some, some programs, especially in communities that have meatpacking plants,

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that the school district goes out to the meatpacking plant and, and meets with families there or with the, the management to try to, you know, get access to, to families who are-- who might be interested.

**DAY:** OK.

**MELODY HOBSON:** So there are just a variety of things.

**DAY:** Sure. Yeah, that's wonderful. Thank you.

**WALZ:** I'm good. Other questions from the committee? Senator Linehan.

**LINEHAN:** Thank you, Chairman Walz-- Chairwoman. So on this, this chart on page 7 that Senator McKinney referred to, could you-- have-- not-- I don't expect you to answer this and I do appreciate you very much pinch-hitting here, so thanks for being here. The jump with Hispanics served in '18-19 to '19-20.

**MELODY HOBSON:** Um-hum.

**LINEHAN:** What caused that large jump? And then how could it be that in '18-19-- are you-- are-- does this chart say that there were no African-Americans involved in '18-19?

**MELODY HOBSON:** I can't-- it says that. I can't imagine that and so I will get some clarification for that.

**LINEHAN:** Well, the good news is somehow between '18-19 and '19-20--

**MELODY HOBSON:** Right.

**LINEHAN:** --they went from 8 percent to 36 percent--

**MELODY HOBSON:** Yeah.

**LINEHAN:** --so there must be some-- how did that happen? And then what happened with White went from 80 percent to 39 percent and even fewer people are served. So they had a program and then it went away or-- and you-- I-- sorry, you can get back to me.

**MELODY HOBSON:** Yeah, I'll get back with you.

**LINEHAN:** OK.

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**MELODY HOBSON:** I do know that especially with, with the family childcare providers that they work with, with, the, the Child Care Partnership Grant, sometimes there is turnover with the childcare providers, but I will double-check to see, to see what the-- what their, what their supposition is.

**LINEHAN:** OK, thank you very much.

**WALZ:** Any other questions? All right, thank you, Melody.

**MELODY HOBSON:** Thank you.

**WALZ:** Thank you for your work and that concludes our report on early childhood education. We will open with LB137, Senator Vargas. And if you just give the pages a couple minutes-- welcome, Senator Vargas.

**VARGAS:** Good afternoon, Chair Walz and members of the Education Committee and new members. My name is Tony Vargas, T-o-n-y V-a-r-g-a-s. I have the pleasure of representing District 7, the communities of downtown and south Omaha, here in the Nebraska Legislature. For senators who have previously served on this committee, you will recognize this bill. I introduced it last year as LB1206. LB1206 had no opposition to this bill last year, but with an interrupted and short session, we were not able to move it through the legislative process. LB137 makes a very simple change to current statute, which would require all licensed childcare providers to report their employees' educational degrees, professional credentials, trainings, and work history to NECPRS, the Nebraska Early Childhood Professional Record System. Now as a very brief background and summary, NECPRS was created in 2013 by LB507, introduced by Senator Kathy Campbell. LB507 created what you just did a little bit of a, of a dive into, the Step Up to Quality Child Care Act. And the creation of NECPRS was one component in the big picture of that legislation. NECPRS is operated by the Department of Education and it's essentially a database, a database of Nebraska's early childhood workforce. It includes relevant information about the educational degrees, professional credentials, and trainings completed by early childhood providers and employees. This information about the educational degrees, professional, is, is put into the database by childcare and early childhood education providers at no cost to them. It is required to report this information if you're applying to be rated as part of

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the Step Up to Quality program, but for all other providers, reporting is optional. NECPRS is beneficial to the state because having that information allows us to ensure that licensed childcare providers are maintaining their credentials. The database also gives us a snapshot of the education and training of our early education workforce. Now in 2019, the following establishment, the-- following the establishment of the Step Up to Quality and NECPRS, our colleague, Senator Brieese, introduced and passed LB590, which streamlined the process by which the Department of Health and Human Services verified the training and credentials of licensed childcare providers by utilizing NECPRS. LB590 kept childcare provider participation in NECPRS optional. My conversations with supporters of this bill and Senator Brieese's bill are that the original idea of LB590 was to make participation for providers mandatory, but that as a first step towards streamlining the verification process at DHHS, they decided to keep it optional. I'd like to talk now about why I think it's so important that we require provider reporting into NECPRS. First, let's make sure we're clear here. Reporting this information into NECPRS doesn't cost the provider any money, not a dime. But because reporting is optional, we policymakers do not have a complete picture of who our early childhood workforce is. Now as a legislative body, we talk a lot about early education and early childhood education and the things we should or shouldn't be doing to ensure our kids are ready for school and prepared to be productive workers later in life. But we really can't talk about any of that accurately and we can't come up with policy solutions if we don't have all of the information and data. Now I know that we've spent a lot of time debating the use of words "may" and "shall" in statute, but I think this is an area where the answer is pretty clear. If we're serious about improving the quality of early childhood education to meet our workforce needs, this is where it starts. We have to know where our education and training gaps are so we can meet the needs of our early childhood workforce and in turn, meet the needs of our kids and communities. I'll just mention one other thing, which is the enactment date of this legislation. I understand that getting providers who have been reporting into NECPRS on this system is going to take some time and training. So we've included a setout date of September 1, 2022. I'm open to discussion on this date and would be happy to adjust if needed. And with that, I'll close and be happy to answer any questions. Thank you.

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**WALZ:** Thank you, Senator Vargas. Do we have any questions from the committee? Senator Linehan.

**LINEHAN:** Thank you, Senator Walz. Senator Vargas, did you just say it wouldn't cost the providers anything?

**VARGAS:** Nothing.

**LINEHAN:** It would take time, right?

**VARGAS:** So you should probably-- so there are some providers that may testify in person, but many that submitted some written testimony in support that they sent it to Senator Walz and these providers actually showed that this documentation has actually provided a significant amount of efficiency in the normal reporting that they would have done anyway for their records. So all the record keeping is done in the system. I think if this was-- when it was first established, NECPRS was a big endeavor cost on our end. And for people not knowing what to expect, it was a little daunting. But what we've seen is childcare providers that are specifically in the Step Up to Quality have really figured out how to utilize this to make their lives more efficient with work-- with all the paperwork and all the training requirements and all the recording in one place has really helped them. So that's what we've heard from a lot of providers and that's some of the testimony we received from providers.

**LINEHAN:** OK, thank you.

**WALZ:** Other questions from the committee? I have a question real quick, Senator Vargas. Do you know-- is there-- are there enough training opportunities available?

**VARGAS:** To my knowledge, there are enough training opportunities available, but I also imagine it gets to some of the other questions. The early ed system that we currently have, there's always room for growth. There's room for growth in the way that we look at our Step Up to Quality. There's been room for growth-- this last year, we worked on an early childhood tax credit. We improved that system so it gets out. There's room for growth in how we look at our Sixpence program, which many of you were asking really great questions about equity on. All these things can still be improved. So I imagine that once

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there's, you know, there's a requirement in here, the training opportunities would improve and we would see that happen.

**WALZ:** OK, thank you. Senator McKinney.

**McKINNEY:** I've, I've talked with many childcare providers in my community and I don't-- I wouldn't say they disagree with this, but what I would say is they're kind of-- they're concerned that without a real partnership and assistance from the state to provide, you know, more educational training skills and things like that, they're, they're kind of wary of it because, for instance, in, in north Omaha, there, there was an abundance of childcare centers. And then once these early childcare-- like education partnerships with schools started to come into our community, a lot of the childcare centers have been pushed out of business and that's what their concern of-- is. It's not that they disagree, but what is the state going to do to ensure that these businesses can stay open as well?

**VARGAS:** And I think that's probably something we should work on, probably a separate bill, because that is what I've heard from my providers in my district as well. We need to figure out a way to provide more equity in the system. The best way I can describe this is the way that we have small, disadvantaged businesses. You know, the chamber and many others have been trying to improve access for small and disadvantaged businesses to be able to get capital and get good projects and bids, right? It's not perfect and we have a lot of room for growth, but part of the barriers that we saw with many of those businesses was either financial or some efficiencies, accounting, and, and providing some level of incentive to do that as well. I imagine that because we already have an established database and because we have established trainings, that if we're able to get an accurate picture into the workforce, we actually can provide even better trainings and support. But without an accurate picture into what the workforce looks like, we're going to continue to see lagging support in this arena. You were right, actually, earlier in your question. We need to figure out a way to, to better equitably fund some of these early ed centers because the outcomes that we're seeing is not meeting the needs in our, our current workforce. You know, we don't-- so we need to figure out a way where we're not disenfranchising certain providers and one way of doing that is getting an accurate picture on what actually is and is not happening in our workforce.

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**WALZ:** Other questions from the committee? I don't see any, so thank you so much, Senator Vargas, and that concludes our hearing on LB137.

**VARGAS:** I'll be right back here.

**LINEHAN:** There's no testimony?

**WALZ:** Oh, testimony. I'm sorry.

**VARGAS:** I'm not leaving. I'm going to close, so--

**WALZ:** OK, do we have anybody that would like to testify in-- proponents, sorry.

**ADAM FESER:** I brought copies, but are we not handing stuff out this year? I have [INAUDIBLE].

**WALZ:** I think you can hand them out.

**ADAM FESER:** And I apologize, I didn't have a stapler at my house, I realized, and we're not in the office right now, so my apologies for not having a staple. Chairwoman Walz and members of the Education Committee, my name is Adam Fesar, A-d-a-m F-e-s-a-r. I am a policy adviser for First Five Nebraska, an early childhood policy organization dedicated to ensuring all children have access to quality early childhood environments. On behalf of First Five Nebraska, I'm here to testify in support of LB137 and I want to thank Senator Tony Vargas for introducing it again. The Nebraska Early Childhood Professional Record System, NECPRS, is a robust database with the capacity to house profiles for Nebraska's entire early childhood workforce, including trainings, education, and other credentials. So there are many advantages to fully transitioning to an online reporting system for childcare providers' credentials, including increased government efficiency. Currently at the state agency, staff are required to conduct on-site visits throughout Nebraska to review hardcopy documentation held by providers who do not participate in the system. So a provider tries to maintain the training hours that they're required-- the documentation for, for all their staff so they can eventually prove it to licensing. Not only is this an inefficient use of public resources, it also pulls early childhood educators away from their important job of guiding the healthy development of children in their care. Childcare providers tell us they love NECPRS's



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functionality because it provides a quick way to find training options and other important information. Just in June, NECPRS launched several, several improvements to help providers easily upload documents, locate trainings, track their progress at Step Up to Quality, and more. Practical improvements will have more of an impact if we pass LB137. Using NECPRS for providers and employees to easily verify and share fingerprinting information, information, for instance, is something I could imagine could come if we do have this bill passed. And that's just me speaking in hypotheticals. NECPRS can offer policymakers a more complete understanding of the state's early childhood workforce, enabling them to make more informed database decisions. For example, who constitutes our early childhood workforce? What are their qualifications, experience, and education? How frequently do they leave their jobs? The answers to questions like these are vital to understanding our early childhood infrastructure, including its strengths and areas that need improvement. Ultimately, we are confident that this policy will be a net positive for childcare providers. Thoughtful, thoughtful implementation of a fully online system that provides for adequate, adequate time, training, and technical assistance will help make the process run smoothly. The Nebraska Legislature took a positive step forward for government efficiency in 2019 by passing LB590, which enabled childcare licensing personnel to use NECPRS to verify providers' required trainings. LB137 takes the next logical step to move Nebraska's early childhood infrastructure forward. This bill represents a rare opportunity to simultaneously promote informed policymaking, increase government efficiency, and directly benefit childcare providers. I hope you will advance LB137 to General File and with that, I'm open to any questions you may have.

**WALZ:** Thank you, Adam, and I apologize. It wouldn't have been very nice for you to come out in this weather today and not be able to testify, so thank you. Questions from the committee? I see none, thank you.

**ADAM FESER:** I appreciate your time. Thank you.

**WALZ:** Other proponents? Opponents that would like to testify? Anybody in the neutral position that would like to testify?

**MELODY HOBSON:** Did you call proponents?

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**WALZ:** Oh, I did.

**MELODY HOBSON:** I'm proponent.

**WALZ:** OK, come on up.

**MELODY HOBSON:** Madam Chair, senators, my name is Melody Hobson, for the record, M--

**WALZ:** Are you a neutral or--

**MELODY HOBSON:** No, I'm a proponent.

**WALZ:** Proponent, OK

**MELODY HOBSON:** Yes.

**WALZ:** So we're on proponent.

**MELODY HOBSON:** Yes.

**WALZ:** OK, thank you.

**MELODY HOBSON:** M-e-l-o-d-y H-o-b-s-o-n. And again, I'm the administrator of the Office of Early Childhood at the Nebraska Department of Education. And on behalf of the Nebraska State Board of Education, I'm here as a proponent of LB137. I don't want to repeat the things that have already been, been testified to, but the Office of Early Childhood does operate the NECPRS system and there are staff who, every day, are available to answer questions and to walk people through putting their profile into the system. And there are, you know, there are staff readily available to, to, to answer questions, to assist, to do everything but push the button themselves. And at this time, well, as of January 7, there were 12,268 early childhood staff that have an account in NECPRS. And one thing I need to probably expand on a little bit is that the Nebraska Early Childhood Professional Record System is connected-- is linked to the Early Childhood Training calendar. And there were some excellent questions about the training in the state, but once a-- when, when a person takes a, takes a, takes a class or takes an in-service training that has been on the Early Childhood Training calendar, there are electronic certificates that are generated that then are immediately

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linked to the, the person's account and that is very, very helpful for them. As a former childcare provider and center director, it was very, very difficult sometimes. People would go off to a training and at that time, much more were done, you know, in, in small community-- well, not more in small communities, but we didn't-- that was before the advent of, like, Zoom. And so people would come back with a physical copy of their, of their certificate. Many times they were lost, many times they were destroyed, and then we had to physically keep them in a file. And so when a licensing specialist came out, they literally had to sit with files on their lap, you know, going through every single person that-- well, a sampling of personnel files and look for all of the training that the person had done to make sure that it, it, it met the requirements. These are always there. As-- working with the, the Early Childhood Training Center staff who are the ones who do a lot of, of work with childcare providers and with the training system, it was not uncommon for people to call and say, I lost my training certificate, can I get another one? And so they would have to look up in if-- you know, paper files. Where, where was this? Well, it was last year. It was in February, you know, and it became-- it, it was-- is very difficult. So having that electronically is both good for the infrastructure of the system, but it is also good for the childcare provider and it is also good for, for the director. So it, it has the potential to streamline the work for the state agencies. It, it is something that is, is streamlining for childcare providers as well as for the staff themselves. And for these reasons, the State Board of Education supports LB137. I'd be happy to take any questions.

**WALZ:** Thank you. Questions from the committee? I see none--

**MELODY HOBSON:** Thank you.

**WALZ:** --thank you so much. Any other proponents? Opponents?

**BECKY WISELL:** Good morning, Chairperson Walz and members of the Education Committee. My name is Becky Wisell, B-e-c-k-y W-i-s-e-l-l, and I am an interim deputy director for the Division of Public Health within the Department of Health and Human Services. I am here to testify in opposition to LB137, which will mandate all employees of a licensed childcare program enter their educational degrees, professional credentials, relevant training completed, and work history into the Nebraska Early Childhood Professional Record System,

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or NECPRS. Currently, only childcare program employees whose employer participates in the Step Up to Quality program are required to use this system. This bill is similar to LB590, introduced by Senator Briese during the 2019 Legislative Session and heard by the Health and Human Services Committee. The Department of Health and Human Services worked with the Senator to amend the bill to ensure childcare providers had the option to use the system to register their credentials, but not to mandate use. Requiring the use of NECPRS will impact an additional 2,500 licensed childcare programs, many of which are small, in-home providers. For some childcare providers, one more state mandate might be the difference between renewing their license or simply closing. Mandates that do not provide value to the individual provider instead of helping them adds unnecessary complications to running their business. DHHS opposes mandating how providers report their training to meet existing state requirements, as it may have unintended consequences. Additionally, it is unclear who will ensure NECPRS is used by all licensed childcare providers and their employees. Since the Department of Health and Human Services regulates all licensed childcare programs and ensures that the regulatory annual employee training hours are complete, it is the belief that DHHS childcare inspection specialists will be tasked with ensuring that LB137 is followed, resulting in the need for additional staff. This new responsibility will require additional childcare inspection specialists to provide support, guidance, and oversight for all licensed childcare providers and their employees. If 2,500 additional providers require their employees to use the system, it is estimated that an additional 12,500 to 15,000 employees will be added to NECPRS, assuming an average of five to six active employees per provider based on background check results and existing participating providers. Please note childcare centers, preschools, and school-age-only childcare programs have a high employee turnover rate. It is estimated that 50 percent or more of the workforce in these programs is replaced each year. In closing, providers that choose to use another means of employee file management should be able to do so and not mandated to use this system. We respectfully request that the committee oppose this legislation and thank you for the opportunity to testify today. I'd be happy to answer any questions.

**WALZ:** Thank you. Questions? Senator Morfeld.

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**MORFELD:** Thanks for coming in today. So I noticed last year, the department didn't come and testify in opposition to, I think, what was a very similar bill. Is there a reason for the change in position?

**BECKY WISELL:** During that time, the Division of Public Health was in transition with leadership and unfortunately, we weren't able to comment on all of the legislation that we would have liked to at that time.

**MORFELD:** OK and what do you think-- on the bottom of page 1, last sentence, your statement states, DHHS opposes mandating how providers report their training to meet existing state requirements as it may have unintended consequences. What do you think some of those unintended consequences are?

**BECKY WISELL:** Well, many of our smaller providers don't have computers and choose not to use computers. So they will need assistance from-- we're assuming it's from our-- their licensing childcare inspection specialists who have a relationship with them when they come in and do inspecting in those locations. And so it will require some orientation and people have varying skill levels using computers, but those who don't have a computer at all would have to make other arrangements to be able to enter that information.

**MORFELD:** OK, thank you very much, appreciate it.

**BECKY WISELL:** You're welcome.

**WALZ:** Senator Linehan.

**LINEHAN:** Thank you, Chairwoman Walz. Did the Department of Ed talk to you about this at all when they were going to support your agency doing this?

**BECKY WISELL:** I was not involved in any conversation about the mandatory reporting. I don't know if others at DHHS were.

**LINEHAN:** OK, thank you.

**BECKY WISELL:** But we had had previous conversations with Senator Briese and at that point, we made it clear that our, our position was it should be optional, the reporting should be optional.

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**LINEHAN:** Isn't it rare that one department would support something that another department is supposed to enforce or do?

**BECKY WISELL:** Are you referring to our inspection specialists implementing legislation?

**LINEHAN:** Well, it, it seems to me-- odd that the Department of Education would support something that HHS does or does not do, but they want them to do. I, I just-- that's not generally the way-- anyway, I would be interested if there were people at the Department of Education that talk, talked to your department before they decided to come in and support the bill. Thank you.

**WALZ:** Other questions from the committee? Senator Day.

**DAY:** Thank you, Chair Walz and thank you for being here today. So just from my own personal experience, so as I understand it, this bill would require all childcare centers to report, including in-home, is that correct? Is that-- and I know that may have been a better question for Senator Vargas, but--

**BECKY WISELL:** My, my read of it is that it would require all licensed childcare providers--

**DAY:** OK.

**BECKY WISELL:** --and that includes Family Child Care Homes I and II--

**DAY:** OK.

**BECKY WISELL:** --childcare centers, preschools, and school-age-only programs.

**DAY:** OK and I know a lot of these locations employ a high school graduate who may not have a formal education in early childhood and I know some of them employ people who are in the process of getting a, a degree of some kind in early childhood or education in general. And so I hear some of the concerns, especially from your perspective, in terms of how that can create maybe long-term consequences, unintended consequences of, you know, if a particular center is lacking in, in educated staff or formally educated staff. Is that a concern of yours as well or-- I guess I'm not quite sure what we're looking for in

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implementing a mandate to require all centers to report the education of all of their employees if we're not, not necessarily doing a gotcha, but that's kind of what it feels like a little bit to me. So I don't know if you could speak to those concerns as well or if that's maybe a better question for Senator Vargas.

**BECKY WISELL:** Well, I can speak to the work of our childcare inspection specialists and we do-- that is one of the things that we look at when we inspect a program is have they completed-- have the employees completed their training?

**DAY:** Right, right. And so this feels maybe a little redundant or-- I don't know. I just guess-- I'm just kind of talking off the top of my head, but thank you. I appreciate it.

**BECKY WISELL:** You're welcome.

**WALZ:** Thank you. Any other questions? Senator Pansing Brooks.

**PANSING BROOKS:** Thank you, Chairman Walz. I guess I'm confused because reading the legislation, if you look at-- do you have it in front of you?

**BECKY WISELL:** I don't have the bill in front of me.

**PANSING BROOKS:** OK, well, if you-- if the committee would look at page 2, lines 3 to 6, it basically says, "not later than March 1, 2014, the State Department of Education shall create and operate the Nebraska Early Childhood Professional Record System." And then it goes on to explain what that is. I don't really understand why-- that, that means the Department of Ed is supposed to do this, not DHHS.

**BECKY WISELL:** Right and, and we pointed out in our testimony that it's unclear who is responsible-- thank you-- who is responsible for ensuring that providers comply with this. It is a part of childcare licensing regulations that we inspect to determine a childcare provider's compliance with all applicable regulations pertaining to childcare and we view this as, as one of those regulations. So without language clearly stating that the implementation would be taken on by the Department of Education, we felt necessary to express our concern.

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**PANSING BROOKS:** Well, it seems like you could have spoken with Senator Vargas to express that concern because to me, the legislation and the statute are quite clear that it's not DHHS, it's the Department of Education. And so to me, that would be why the Department of Education did not come to speak with you at that time because they were taking on the responsibility themselves. Thank you. I just wanted to clarify that for the record.

**WALZ:** Thank you. Any other questions from the committee? I see none, with that, thank you--

**BECKY WISELL:** Thank you.

**WALZ:** --for your testimony. Is there anybody that would like to testify in the neutral position? I see none, Senator Vargas, would you like to close?

**VARGAS:** Thank you very much, Chairwoman and members of the Education Committee. A couple of points that I want to make. First, I want to thank you for being here and probably the first hearing of the year, is that right? OK, so happy to be a part of that. A couple of points I want to make sure to elaborate on, one is actually coming back to Senator McKinney's point. And I think what you heard from some of the proponents is-- are that there are training that is already available. There's going to be more training available when we get more people on there because they'll be able to access the site. And as we have more individuals on the site, we'll be able to provide more training available, which I think is going to be important for any of the providers that are taking advantage of some of the other programs. You can't take advantage of Step Up to Quality if you don't input your information for your employers or your employees in the system. So if we want people to take advantage of a really great program that incentivizes it, this is just one barrier to that. So we're making it a little bit easier now that we have everything set up. To a little bit of the opposition from DHHS, and this is just to clarify and this is along Senator Pansing Brooks'-- what she clarified, it does state-- this isn't in my bill. This is just already existing statute. Existing statute states that, "the Department of Education shall create and operate the Nebraska Early Childhood Professional Record System" and the system shall in order to and this is all on page 2. And all of those aspects of what it's responsible for, which includes verifying



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educational degrees, providing the information to DHHS, and anything else that's applicable there, they are, they are responsible for the, the oversight of this. I understand why they may not-- let's see, be in opposition based on their testimony for requiring this. But largely this is left up to the Department of Education, which is why they came in support. It's also one of the reasons why we had no opposition last year. To react to some of the concerns that this is going to be burdensome, of the in-home providers that you see that provided testimony, they all provided testimony saying they support this. And part of the reason is they already have to have all this paperwork on their own for themselves. The only issue is whether or not there's some efficiency, access to training, and doing that with this online system actually makes their lives a lot easier. If any of you are aware of in the DD community, you know, our DD providers are providing a lot of different information and when they all have different databases for it-- providing the information, it makes it messy. This is one database, so it makes it a lot easier to interact and engage and make sure their information is up to date with the Department of Education. It's one of the reasons why we have that positive testimony from in-home, regional, small, rural, and urban providers that are saying we support this. We think it's a good thing. It's going to further professionalize our industry. I guess-- and, and I want to respond a little bit to a larger point that Senator Day brought up, sort of the why. We are constantly talking about what we need to do to meet our current workforce needs. We have about-- anywhere between 40,000 to 50,000 H3 jobs currently available at any given time in the state of Nebraska. We've had that come out-- so many different individual organizations, Blueprint is one of them. One of the reasons is because we have a workforce that's not yet ready for the jobs that we have. We obviously have work to do in higher ed, K-12 system. I've always been a proponent of not settling for less and, and expecting more from our system. Well, one of the easiest lowing-hang [SIC] fruits that we have is ensuring our early ed system that we are utilizing the tools we have in front of us. I want you to imagine you're a provider. You're a provider that's currently not submitting your information to this. One, you're not eligible for Step Up to Quality. You're not getting rated, so you're not accessing those funds. Two, that school readiness tax credit we talked about, that early ed tax credit that passed last year-- that expanded last year, that's been around? You also don't have access to that if your

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information is not on here. By having their information on here and sharing it, they're also now eligible for two programs. Employees get to get a tax credit potentially and the employers have access to potentially funds to help them and incentivizing them to move up the scale. And as they move up the scale from 1, 2, 3, and so on, they're now going to be more eligible. They're going to be seen as a higher-quality rated system. Our goal is to have as many of our early ed systems and, and, and programs and providers rated at a 4. It's not on a curve, where only of some can be on 1 and some can be on 4. They all can be. So this is ensuring that we are getting to that place where any of our children or our grandchildren, whatever options are available out there, are the best possible, utilizing the systems and tools we already have in place. This is a very simple step. It's not saying that if, if you don't put in your information, there's going to be a, a negative consequence to your business. It is asking them to do it and by making this a requirement, we are going to have a much more accurate picture as to what our workforce looks like. And I want you to also imagine what it's going to look like when we have that information. The information we currently have are for those that have applied for Step Up to Quality. The information we need are for those that have not. A good example of this, and it's not the exact same, but, you know, we had the third grade reading bill in the past. One of the reasons I was supportive of it is because I want to make sure we're very transparent on where everybody is. It's not to make cert-- to say that one provider is better than the other, it's to make sure all of our, all of our children get up to reading level. We don't have an accurate picture as to what our workforce needs are in early education for a subset of our providers and this would allow us to meet those needs. And so I see this as a simple change that provides workforce readiness, gets us into a place where we have the right data to make informed decisions, and gives us more fodder to also talk about how do we have an early ed system that meets our actual 2030 or 2050 needs that is equitable across the state of Nebraska? By simply getting more of this data in. So I think this is good legislation because it leverages some of the existing aspects of what we currently have in statute and in our tax system, making sure that we are providing data that's going to help us make more informed decisions. And also making sure, as you heard from providers in their testimony that are-- that think this is a good way of providing efficiency. And the Department of Ed that oversees it, is in charge of it, is in

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support of it. Colleagues, I ask for your support for this bill. I think it's a good way for us to move forward for our workforce and our early ed system. Thank you.

**WALZ:** Thank you. Any questions from the committee? Senator Day.

**DAY:** Thank you, Chair Walz. So just to clarify, I'm going back to my earlier question, this bill would essentially incentivize providers and employees to utilize the-- there's no cost training available, is that correct?

**VARGAS:** There is no cost to being part of this system. It is requiring providers to submit this information for their employers-- for their employees, but there is no cost for the trainings that come with it. If there were more costs, that would be a separate story. There are trainings that are provided. There's no more cost to that--

**DAY:** OK.

**VARGAS:** --you know, but, but one thing it does do-- and once you've provided your information to the system, you are now eligible to be part of Step Up to Quality, you can get rated, and now you can actually take advantage-- employees can take advantage of that tax credit that is, is in place right now.

**DAY:** OK, so if a, if a center was concerned about the fact that their employees are, like I mentioned earlier, high school graduates with no formal training in early childhood, they would then be provided access with no-cost training if they were to opt into this program, is that--

**VARGAS:** So that's a good point. So either way, early ed providers are collecting that information.

**DAY:** Right.

**VARGAS:** So this isn't changing whether or not they would or would not collect that information. What we're changing is where they would put that information into. And if they needed support and training on that, it's not very typical-- for the senators that have been here for a little bit, we don't always put setout dates. I'm putting a setout date because I think it's probably important for the Department of Ed to get some time to be able to get the training available so providers

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aren't penalized for not doing this immediately. A year and a half, I think, is a healthy amount of time to then make sure they know what they need to do to input this information.

**DAY:** OK, because that was just my main concern, was for centers who have young employees who don't have that formal education or maybe don't have access to a four-year traditional degree or even just an early childhood degree, do-- will-- if, if the center is concerned about reporting the lack of education, essentially, of their employees, they would-- they are then able to access some kind of maybe not formal training, but there is training out there for them, for their employees to get that would come at no cost to them.

**VARGAS:** My understanding is there's training available through this. And that-- the concerns on their workforce, my hope is that nobody looks at this as-- sort of in a negative light and instead-- part of the reason is because it's, it's data. It's not if you don't have certain, let's say, educational requirements, you will then be penalized in some way. It's not the intent of this at all, but there is going to be training that's already provided to providers that are on this.

**DAY:** OK, thank you.

**VARGAS:** Thank you.

**WALZ:** Senator Linehan.

**LINEHAN:** Thank you, Chairwoman Walz. Do you know-- how many-- I'm looking-- trying to figure this out. How many childcare providers are there licensed in the state?

**VARGAS:** Oh, I cannot say off the top of my head, but I know there's about 12,000 individuals that are currently in the NECPRS account right now that's-- employees that are in the NECPRS account.

**LINEHAN:** So do you-- these are-- this would be information I'd be submitting to Department of Ed or whoever--

**VARGAS:** Yeah, we can get that.

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**LINEHAN:** --still here-- the number of childcare providers and then the number-- the percentage of those childcare providers who are, who are participating in Step Up to Quality.

**VARGAS:** Yeah, we can get that information.

**LINEHAN:** OK. All right, thank you.

**VARGAS:** That should be easy, yes. But, but, but we do have 12,000 records already in there, so there is a healthy number already in there, but we'll find the percentage breakdown.

**LINEHAN:** OK, thank you.

**WALZ:** Senator McKinney.

**McKINNEY:** My, my question is, will the Department of Ed be willing to offer free training for providers to take advantage of the tax incentives and more business education, as far as growing if they--

**VARGAS:** So I won't speak for the Department of Education, but based on how they've approached this in the past, I'm not seeing them adding cost to the training provided. So I believe that the training that was provided to the providers at this point that's been done for free is going to continue to be provided. As far as the business component, I, I do think we need to do more in that. And I've had this conversation with First Five and, and other people in the Early Ed Center. There are real barriers that exist for people to, because these are businesses, to become better at their business. And one way of doing that is sort of seeing where you are relative to others in a rating system. I think that's why the Step Up to Quality by Senator Kathy Campbell was so effective. But by itself, it, it still needs some more support, so I would support continuing to support that, that legislation, reforming it, providing some more business training or financial, you know, training within that. This bill, this is just inputting the information and sharing it in the database, not, not anything on financials.

**McKINNEY:** OK.

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**WALZ:** Other questions? All right, we did have seven letters for the record, seven proponent, zero-- no opposed, and no neutral. So with that, that concludes our hearing on LB137. Thank you, Senator Vargas.

**VARGAS:** Thank you all very much.

**WALZ:** And now we open with LB210. Senator Murman.

**MURMAN:** Good morning, Chairman Walz and members of the Education Committee. For the record, my name is Senator Dave Murman and that is spelled D-a-v-e M-u-r-m-a-n. I represent District 38, which includes counties of Clay, Nuckolls, Webster, Franklin, Kearney, Phelps, and southwest Buffalo County. I come before you today to introduce LB210, which amends current law section 79-2,136 to require public school boards to establish policies and procedures allowing homeschool students who are residents of the school district the ability to participate in extracurricular activities, as defined in Section 79-2,136, currently offered by school districts to the same extent as public school students. Exempt homeschools shall set satis-- shall set standards for satisfactory academic performance for such students to participate in extracurricular activities and provide assurance of compliance with such academic standards. The, the intent has always been for such students to be residents of the school district in which they wish to participate in extracurricular activities. Since we have received a concern about this matter, I am offering an amendment to clarify this intent and you should have gotten that passed out. Nebraska currently requires public school boards to have policies and procedures in place to allow for part-time enrollment of homeschool students in academic courses. This bill would allow homeschool students the opportunity to participate in extracurricular activities without requiring such student to enroll in courses offered by the school district. Such students will not be eligible for transportation except to or from practices or events to the same extent as public school students. The Nebraska School Activities Association, NSAA, currently requires that students enrolled in homeschooling programs are only able to participate in extracurricular activities if they are continuously enrolled in a minimum of ten credit hours of instruction per semester at the school they would represent in their activities. Moreover, the NSAA allows individual school districts the ability to determine their own scholastic requirements for eligibility, eligibility to compete in-- in interschool activities, which may be

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more stringent than NSAA's. These varying course requirements puts an extra burden on homeschool students and interrupts their homeschool schedule. It is widely acknowledged by parents, students, and educators that allowing students, students to get involved in extracurricular activities such as journalism, music, theater, speech, debate, and sports can be important in helping each student make and keep a commitment while allowing them to develop people skills, work ethic, and time management skills. All students, regardless of school choice, should have this opportunity without unnecessary requirements. This is even more relevant with the rise of homeschooled students over recent years and especially this past year with COVID. A person's lawful method of education should not preclude any Nebraska student from involvement in extracurricular activities within the school district in which they reside and pay taxes. I thank you for your consideration of LB210. At this time, I would be open to questions, but would also like to defer to individuals, individuals that helped bring this legislation.

**WALZ:** Thank you, Senator Murman. Any questions from the committee? Senator McKinney.

**McKINNEY:** As a coach that coached at high school wrestling, I guess one question I would have: how would the NSAA or school district regulate students that get recruited because it happens and elect to opt out to homeschooling just to switch schools? How would that be monitored?

**MURMAN:** Yeah, thanks for the question. Actually, with this legislation, they couldn't switch schools.

**McKINNEY:** Oh.

**MURMAN:** They have to stay in their own home school district.

**WALZ:** Other questions from the committee? Seeing none, thank you, Senator Murman. At this time, I'd like to ask for any proponents.

**DAVID LOSTROH:** Senator Walz, members of the Education Committee, my name is David Lostroh, D-a-v-i-d L-o-s-t-r-o-h. I serve as a board member and legislative liaison for the Nebraska Christian Home Educators Association and the NCHEA is a proponent of LB210. LB210

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would remove arbitrary course restrictions for part-time homeschool students. It would remove the NSAA-mandated ten hours, two courses requirements for homeschool student participation in NSAA-- NSAA extracurricular activities. It would recognize that 79-1601 is the statute for homeschooling, that these schools set their own academic standards and will provide assurances of student compliance with school standards, and prohibit public schools from preferring full-time students in the selection of students for participation in the extracurricular activity. Over the years, the NCHEA has received many phone calls from parents who want the options that would be provided by LB210. The NCHEA supports homeschool parents selecting those courses and activities from the local public school that they believe would be helpful to their children. Homeschool parents should have the ability to make these choices because they pay taxes to the public schools at the same rate as if their children were attending public schools full time and because the Nebraska Constitution says to provide for students between 5 and 21 years. So the removal of course restrictions is included because some Nebraska homeschool students have been limited to elective classes only, no core classes such as math, science, history, or English. And some have been open to all classes, but limited to a maximum number of, of ten hours or two classes. So there's restrictions placed on here that I'm not sure exactly why, but it seems like it could be made better. The NSAA currently requires that exempt students be enrolled in a minimum of ten credit hours and the member high school-- to represent a member high school in NSAA extracurricular activities. And this was basically made-- came about by a statement made by then-NSAA Executive Director Jim Tenopir at the 2017 LB58 hearing where he proposed shelving LB58 and its five-hour requirement because the NSAA would be changing the 20-hour requirement to ten hours at an upcoming vote. Well, that vote did happen and it passed, but the ten hours is still excessive, especially when an old loophole in the NSAA bylaws allows schools to exceed the ten-hour requirement in contradiction to these assurances that we heard at that hearing. So it, it seems like we were misled. I'm not sure it was on purpose or-- but it kind of seems that way. LB210 would reduce the NSAA mandatory requirement from ten hours or two courses to, to zero. There have been unfounded concerns in the past doubting the reliability of homeschool parents reporting home academic performance to the public school when establishing and maintaining student eligibility requirements. Nebraska homeschool



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students have had their local school not accept the credits from a community college that the homeschool students were receiving under dual enrollment and have had local schools require that they verify homeschool credits and transcripts. Thus, the LB2-- LB210 requirement that 79-1601 set their own standards and then provide assurances that they comply to their standards. NSAA member schools do not require a documented verification of each of their students prior to extracurricular activities with their full-time students, nor should they be permitted to demand it of students attending legal schools, which elect, under 79-201, not to meet accreditation or approval requirements. To do so only provides an open avenue for discrimination. Many studies of homeschool students over 20-plus years have demonstrated excellent results in academics, social skills, occupational success, civic mindedness, and so on. And colleges love homeschool students. Homeschool students do not consider themselves to be inferior to other schools, nor do the colleges. And since colleges accept homeschool transcripts, that means they believe the parents. Why should a public school demand documented verification rather than assurance of compliance? And so the NCHEA is a proponent of LB2-- LB210. We urge the committee to vote it out on the floor. We're not looking for increased regulation of home education and we would oppose that if that should happen, but we trust that won't happen.

**WALZ:** Thank you. Do we have any questions from the committee? I see none, thank you. Do we have any other proponents? Good morning.

**MICAH SHADE:** Good morning.

**WALZ:** Thanks for coming today.

**MICAH SHADE:** You're welcome. My name is Micah Shade. I'm 12 years old. I'm in the sixth grade. My mom has homeschooled me ever since I started preschool when I was three years old. I live in Hastings with my parents, five sisters, and two brothers. I enjoy playing sports, especially basketball and football, and raising reptiles. Right now I have four crested geckos, one leopard gecko, and one bearded dragon. I, I started playing flag football when I was in the first grade. I enjoyed it a lot, but I always wanted to try tackle football. My parents were hesitant to let me try because they didn't want me to get a concussion. So I, so I kept playing flag football until this fall when I finally convinced them to let me try tackle football in the

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Hastings Midget Football program. It was awesome. It was a lot of fun. My coaches were very good coaches. They encouraged me to work hard and help-- they encouraged me and helped me when I didn't understand something. They required us to work hard and always do our best, no matter what the circumstances were. I played right end on offense and defense and I was a starter. My team won all of our games and we were the undefeated champions at the end of the season. It was one of the best experiences of my life and I did not get a concussion. Hastings Midget Football is for fourth, fifth, and sixth graders. For the other kids on my team, they could go on to play football at their middle schools and high schools. For me, though, I thought this was my one and only year to play. Our homeschool group has a great basketball program. We have junior high, junior varsity, and varsity teams and we play other homeschool teams from all over Nebraska, Kansas, Iowa, and Colorado. Almost every weekend in November, December, January, and February, we are traveling to play in a tournament or hosting one in Hastings. It is a great program with wonderful coaches and some of my best friends. It seems more like a family than a basketball team, but as wonderful as my basketball team is, it isn't a football team. If I want to play football, I need to join a team at a school. I would like to do this, but I would be required to take two classes at the school if I wanted to play on its football team. I really like being homeschooled because I get to learn about the truth of God's word while learning subjects like math, reading, science, and history. We can be flexible with our schedule. I can learn with my brothers and sisters. There are no bullies. My mom is my teacher and I trust her more than anyone else. She understands how I learn and can teach me in that way. Sometimes I struggle with anxiety and learning at home doesn't cause me to get anxious. I've met some really great friends through homeschooling. I love our fall and spring co-ops, my basketball team, and the field trips we get to take as a family. For me, taking classes at school doesn't make sense when everything at home works really well. I hope LB210 passes. I hope you all vote for this bill. It would be great for homeschool students to get to participate in public school sports and it, and it would be great for schools to get and include all kinds of kids in their sport programs. Homeschool students are smart and hard working and we have a lot to offer. Having to take classes at schools puts an unfair burden on teachers, schools, and kids, but allowing homeschooled and public school kids to play sports together will make for stronger teams and

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stronger communities. Thanks for giving me a chance to come here and speak with you today. I appreciate getting to share my experiences with you. I hope for-- you vote for LB210. Thank you.

**WALZ:** Thank you for coming. Do we have any questions from the committee? Senator Day.

**DAY:** Thank you, Chair Walz. Micah, I just wanted to tell you thank you for being here today. I think this is a great learning experience in itself and you-- I have my own 12-year-old in the back of the room right now. He also plays basketball and football. And you mentioned your anxiety and so I know how difficult these types of things can be, so I'm really proud of you for being here today and telling us your story. I just have really one tough question: what's your favorite football team?

**MICAH SHADE:** Probably the Chiefs.

**DAY:** Good call. That's my only question. Thank you for being here today.

**WALZ:** Good answer.

**LINEHAN:** Good answer.

**WALZ:** Any other questions from the committee? I see none, thank you so much for being here today.

**MICAH SHADE:** Thank you.

**WALZ:** Do we have any other proponents? Opponents? Oh, OK, sorry. I thought you were-- OK.

**STEPHANIE SHADE:** Well, good morning. My name is Stephanie Shade. I am a former public school teacher with bachelor's and master's degrees in education from UNL and UNK. Currently, I am a homeschooling mom to my eight children. My husband and I live with our kids in Hastings. He, too, is a former public school teacher and is currently self-employed. Earlier, just now, you heard from my 12-year-old son, Micah. He is one of the many reasons I am here today, for him and kids like him who would benefit greatly from the passage of LB210. My husband and I made the decision to homeschool our children in 2009. Our four oldest

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children, all of whom we adopted out of foster care, were struggling with various learning and behavioral needs in the public school so we destry-- decided to try home education. For the first three years of our homeschooling journey, our eldest daughter continued taking special education classes at the public school because we thought it would be beneficial to her. However, we eventually learned that the split-learning environment was causing more harm than good. Every day, loading up the car, traveling to the school, coming home, and trying to regroup would cost us an hour and a half to two hours of precious learning time. Everyone in education knows that minutes are precious and transitions are brutal. The best learning environments are ones with continuity and consistency and interrupting every day in order to take classes at the local school cost us a lot of learning time. So after three years of this, we decided it was time to give up our attachments to the school and have Tricia [PHONETIC] do all her learning at home. It was then that I learned a second lesson. Public school was extremely anxiety provoking for Tricia [PHONETIC]. Once she was at home all day, she underwent a profound change. She was calmer, she was more focused, less reactive, and she gave up many of the behaviors that we had struggled to manage over the years. While I regret that it took us three years to figure this out, I am grateful to have finally seen how learning at home could be the best possible educational setting for a child struggling with anxiety and other emotional disorders. These scenarios illustrate why LB210 makes so much sense for homeschooling families. Requiring home-educated students to attend any number of classes at a public school results in loss of learning time and carries the potential to cause harm to students emotionally and otherwise. Another factor to consider is the fact that K-12 public schools in Nebraska are partially funded through property taxes, property taxes that are paid by all property-owning citizens in Nebraska, not just those with children in public schools. One of the biggest sacrifices a family makes when it decides to homeschool is a financial one. Not only does one parent give up time that could be spent earning income, the cost of educational materials lies with the family. And this cost is above and beyond what families pay in the property taxes that fund the public schools. Earlier, you heard Micah's heart's desire to play football and how the only option available, available to him in our area is to play on a school team. Micah will enter seventh grade this fall, which means he started kindergarten in the year 2014. Since 2014, my husband and I have owned

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our home, the building and land which houses his business, and several other commercial rental properties. So in the time that Micah has been in school, we have paid approximately \$126,400 in property taxes. Now in Nebraska, 60 percent of a person's property taxes go to fund K-12 education. That means that my husband and I have spent \$75,840 on public education since Micah started kindergarten. And not a single penny of that \$75,840 has been spent on Micah. Now please understand, I am not complaining. Quality schools are important to my husband and me. So important, in fact, that my husband serves on our local school board. The children in public schools today are tomorrow's citizens, the ones with whom the future of our community lies. We want them to have a good education and we don't begrudge our taxes being spent responsibly and effectively on public schools. But my point is that homeschooling families should have access to the programs that they are helping to fund and they should be able to axe these programs-- access these programs without strings attached. I don't believe it is too much to ask for my son to play football at our local middle school without any course requirements. So thank you for allowing me to voice my support for LB210. I hope and pray you'll consider opening Nebraska's public school extracurricular programs to all our students by removing the barriers that prevent many from participating. Thank you.

**WALZ:** Thank you for your testimony. Do we have any questions from the committee? Senator Pansing Brooks.

**PANSING BROOKS:** Thank you. Thank you so much for being here Ms. Shade, and your son is--

**STEPHANIE SHADE:** Thank you for having me.

**PANSING BROOKS:** --delightful and fabulous young man. And I'm just interested, since you have worked in the public schools, you understand how extracurricular activities are basically used as a privilege, as a carrot, if you will, to encourage students to perform. You know, if you, if you go down the rabbit hole, the other side of this is students start not coming to school, but still get to participate in activities. I mean, there's no way to oversee the work that-- I know that Micah is doing incredible things and I know that a lot of homeschooled kids do excel in education so I understand that, but the, the public schools have certain requirements that allow their

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kids to participate or not participate. So how, how do you respond to that, that issue? Because it's not-- it, it wouldn't be fair to some of the kids who are the public schools to be told, sorry, you can't participate, your grades aren't correct, you aren't acting appropriately, or whatever it is that causes them to not be allowed to participate. But then kids that aren't under the same requirements-- it's almost a constitutional argument because kids that are not under those same requirements are allowed to participate.

**STEPHANIE SHADE:** Well, in the first place, I would respond that fortunately in this state, we do have a choice in how we choose to educate our, our children. Personally, I believe that it's the parents' responsibility, whether they contract with the public school, whether they contract with a private school, or whether they choose to homeschool. So when you say-- well, I don't remember your exact words, so I won't quote them-- my point is that there is accountability and, and I'm, I'm the gatekeeper. Personally, if I were to work with a school and they wanted verification that there was a certain-- I'm not sure what-- you know, a grade point average or something like that, I could assure them that that is the case or that isn't the case. And I have a feeling that my standards would probably be a little more rigorous than even what, what they would expect. So the idea that there's no accountability isn't exactly accurate. There's, there's quite a bit of accountability. And I feel like, you know, in, in an, in an environment where we're desiring for people to come together, we're desiring for diversity, I think this is a, an excellent situation to provide just that. I know Micah has participated in all kinds of community activities with very few homeschooling students and-- you know, through the YMCA and, and, and you know, just local town programs and the bridges that they've built between, you know, Catholic school, public school, and, and homeschool really move forward. So he can go into our local YMCA and see kids that he knows from different schools. So I actually think that this is a-- it's, it's a move that builds and it's a move that creates bonds, not what you're talking about, where it would be, like, not fair for this person, but fair for this person. It's actually a bond builder, not a bond breaker.

**PANSING BROOKS:** Thank you.

**WALZ:** Thank you. Other questions from the committee? I see none--

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**STEPHANIE SHADE:** OK, thank you.

**WALZ:** --thank you so much for your testimony. Other proponents?

**STACIE WEST:** Good morning.

**WALZ:** Good morning.

**STACIE WEST:** My name is Stacie West and I'm sorry I don't have copies of what I'm going to say this morning for you available right now. That's S-t-a-c-i-e W-e-s-t. I am a former 12-year public school teacher. I have a bachelor's degree from UNK, a master's degree from UNK, and two additional from the University of Northern Iowa. And I am a homeschooling mom to my eight-year-old son, Asa [PHONETIC]. My husband and I live here in Lincoln, where Matt [PHONETIC] is a conductor at BNSF Railway. And this bill in discussion today may not impact us directly today and it may not in the near future, but it may someday and so I wanted to come here to talk about it with you today. So when Asa [PHONETIC] was born, we paid to have a professional photographer take a picture of him sitting inside a Nebraska football helmet. It may not be the first such picture in existence, but it is definitely the cutest and I have it here in case anybody wants to see it. And I can speculate that many dads in Nebraska have dreams of their sons playing on the Husker football team someday too and my husband sure did. My son was born eight weeks too early. He had underdeveloped lungs, a crazy, erratic heartbeat, eyes that didn't work, and allergies that precluded him from eating anything but prescription food for the first eight weeks of his life. He may never play football ever, but I want him to have a chance to compete someday. I want him to play on a team. I want him to have the chance to be obedient to a coach and someone other than his parents. I want him to work hard and I want him to sweat a little while he's doing that. My husband and I coteach Asa [PHONETIC] every day before Daddy heads off to work. Matt [PHONETIC] teaches history, science, geography, health, and I take reading, language, English, spelling, math, handwriting, and everything else. My son has a gift with memorizing and this year, he memorized the Gettysburg Address, the Preamble to the Constitution, the Declaration of Independence, all the way up to the part where it says, let these facts be submitted to a candid world. We have a big course load and he is in the third grade this year and every year that passes, it will only get busier for him.

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My husband and I have been taxpayers here in Lincoln for eight years and we-- just like we have the choice to homeschool, we would also like the choice to be able to participate in public school sports without additional coursework burdens someday, if that opportunity arises. And maybe someday my son will meet a recruiter for the Husker football team on a high school football field and I just ask that you consider at least giving him the chance and the choice to do so. So thank you for your time.

**WALZ:** Thank you. Thanks for coming today. Any questions from the committee? I see none, thank you so much.

**STACIE WEST:** Thank you.

**WALZ:** Any other proponents? Opponents?

**JAY BELLAR:** Please don't panic, it's, it's three pages, but I got to write big because-- to be able to see, so-- thank you, Chairperson Walz and members of the Education Committee, for allowing me this opportunity to be here today. My name is Jay Bellar, J-a-y B-e-l-l-a-r, and I am the executive director of the Nebraska Schools Activity Association, otherwise known as the NSAA. We appear before the committee on behalf of the public, parochial, and private schools of the NSAA in opposition to LB210 and particularly the portion of the bill that says in part, school boards' policies and procedures adopted pursuant to this subsection shall not require any student to participate in extracurricular activities pursuant to this section to be enrolled in courses offered by credit by such schools. NSAA has worked very hard to be proactive when it comes to updating our constitution and bylaws when it comes to change for the good of our organization. I kind of wish I knew about this, you know, a little-- a while ago and I would have done everything I could to meet with people to try to fix it before it got to this point. The Nebraska School Activities Association is a voluntary organization of public, private, and parochial schools in Nebraska that was organized over 100 years ago to formulate policies and procedures to promote the high ideals of citizenship, fair competition, sportsmanship, and teamwork that will complement the member schools' curricular programs. As of now, we represent 304 schools and well over 100,000 participants. The NSAA exists to provide a procedure for schools to promote and govern activities for students effectively, economically, fairly, and keeping



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those activities in proper perspective educationally. We are the entity that sponsors a lot of the school championships, athletic contests there. Schools join the NSAA voluntary and they participate in a democratic self-government process to attain the purpose of our association. The rules that our member schools have adopted are those established eligibility guidelines considering enrollment, age, academic qualifications, residency, transfers, and those sort of things. The contents of the NSAA constitution bylaws have been promulgated and approved by our NSAA member schools. Those standards in the constitution are approved by our member schools. Those standards in our constitution and bylaws are not put together by our NSAA board of directors or our NSAA staff. The member schools of the NSAA set the standards under which they wish to be governed for activity purposes. It's based on those that I can-- that I am here today. I sent out a recent survey as soon as I heard about this and here's some of the-- what our schools believe overwhelmingly: that the NSAA is an organization of member schools. We believe in education-based activities. We feel that attending a school for at least ten credit hours ties that student to the school not only for activities, but edu-- academically as well. Administrate-- we believe administrators, teachers, coaches wish to know the students they are responsible for as more than just a player on the field or the court or the stage. Being part of a team or a musical group or involved in the performing arts affords that, affords that coach or sponsor the opportunity to really get to know the kids as a person. We continue to say and we believe that we are the other half of education. High school activities remain secondary to academics. Our activities are a privilege, not a right. What you do from 4:00 to 8:00 is a reward for what you do from 8:00 to 4:00. Academic rigor, surely not the homeschool people that we heard from because I'm sure that their kids would do well in any school system, but at our school-- regular ed students in our schools may choose to homeschool as well for all the wrong reasons. Administrators feel the extracurricular activities are a hook for some students, as Senator mentioned, and they fail to meet those academic rigors of a school, they may decide that homeschool is the way to go and they would become eligible immediately. In 2017, the NSAA adopted a minimum credit hour standard through its legislative process. At this time, we require a student to be continuously enrolled for 20 credit hours at the school if they're going to participate. Exempt or homeschool students from an authorized Rule 13

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school must be continuously enrolled in a minimum of ten credit hours. And what they have said is true that in-- that equates to two classes per period, per day. The biggest concern our membership has is how do we ensure that student participants are truly representing the academic mission of the NSAA member school when the student isn't enrolled at that school? There is also concern how this bill affects our private and parochial schools. We have spent much time trying to create a level playing field for all of our students and schools. Big schools, small schools, public and private, urban and rural, this bill casts many questions on the cause and effect to all. The NSAA is willing and continues to be an advocate for children, regardless of private, public, parochial, or home school. We know that everybody here today wants what's best for their children and so do we. If this committee would want me to go and reach out to schools for more information, I'd be glad to do that. So senators, thank you for your time this morning and thank you for the great work you do for the state of Nebraska.

**WALZ:** Thank you. Do we have any questions from the committee? Senator Linehan.

**LINEHAN:** Thank you, Chairman Walz. On this question of who would be responsible, whether they were quali-- wouldn't, wouldn't the coach have the right to bench any kid he didn't think was measuring up--

**JAY BELLAR:** Yes.

**LINEHAN:** --whether they were homeschooled? Right now--

**JAY BELLAR:** Yes.

**LINEHAN:** --the coach has the ability to bench a kid, right?

**JAY BELLAR:** Yes, they do.

**LINEHAN:** So wouldn't that give you quite a bit of control?

**JAY BELLAR:** I, I guess I don't understand your question.

**LINEHAN:** Well, it seems that the coach decides whether the student plays or not. That gives the coach a lot of-- there seems to be concern about how you would control. I mean, just because you let them

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on a team, they're not going to-- I mean, they have to let them play. And if they didn't want them to play, they could just bench them, right?

**JAY BELLAR:** Yes, they could, I guess. Yes.

**LINEHAN:** OK, could you provide the committee with a list of your membership? Is that online somewhere?

**JAY BELLAR:** Sure, but I can get it for you if you want.

**LINEHAN:** OK, great.

**JAY BELLAR:** I can also make available the survey I sent out. We have 304 schools. I had 166 or 165 respond, I think. And it was very short, five questions, and, and so I think I, I heard what they wanted me to say this morning.

**LINEHAN:** Well, I'd like--

**JAY BELLAR:** Do you want me to go over those questions very quickly?

**LINEHAN:** No, I don't--

**JAY BELLAR:** OK.

**LINEHAN:** No--

**JAY BELLAR:** OK.

**LINEHAN:** --but I would like to see who responded, yes.

**JAY BELLAR:** OK.

**LINEHAN:** Thank you.

**JAY BELLAR:** I can do that.

**WALZ:** Thank you. Any other-- Senator McKinney.

**McKINNEY:** I guess-- thank you for coming. My question is do you think this would, would create a loophole? And what I'm thinking about is I know Senator Murman said students would be allowed to stay in their

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district, but think about a district like OPS. If a student is at North High and wants to transfer to Central High, but can't really do it, but if they opt into homeschooling and then say, hey, I want to go play sports at Central now.

**JAY BELLAR:** That's exactly what I think will happen and that's what happened when, when Omaha chose not to play. I had hundreds of phone calls from how do I homeschool and, and move this so they could be eligible immediately, Senator. And I think, I think that that's our point, that that's going to happen a lot.

**McKINNEY:** OK.

**WALZ:** Thank you. Any other questions? Senator Pansing Brooks.

**PANSING BROOKS:** Thank you. Thank you for being here today. I was just wondering, what are some of the reasons that kids-- I mean, it's a privilege and I thought it was interesting at the bottom of your discussion, you said choices don't always grant you rights, but I'm interested in what are the things that, that schools will decide a child cannot play? Is it, is it just going to class? Is it-- what kinds of reasons are there?

**JAY BELLAR:** Yeah, I hate to spoke-- speak for all our schools because they are different in what they do.

**PANSING BROOKS:** Yeah.

**JAY BELLAR:** But, yeah, it's, it's eligibility and, and how they act in school definitely has a way in whether they-- where they-- if the opportunity to play or not. And main-- mainly it comes down to the grades and if they know these kids and they're in good standing with, with their teachers and applying the rules or their code of conduct. It may be different in some schools.

**PANSING BROOKS:** And do you have meetings with all the schools, the-- with representatives from the public, parochial, private schools that you discussed? Do you have meetings about, I don't know, best practices or what, what the groups generally want to be reasons that kids can play or not play?

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**JAY BELLAR:** We do have, we do have two meetings with everybody and, and they're done in six different district meetings because our state is broken up into six different districts: District 1, being the Lincoln area; 2, Omaha; and then so out through the state. And we do meet with those any time that, that something like this would come about. Yes, those are all discussed at the meetings and then they're going to formulate their ideas and what they want to do. I think the biggest concern that we've heard from our schools back is-- from an NA-- NSAA standpoint, is our schools are telling us, don't be telling us that we, that we set the minimum requirements. They want to be able to set requirements if they're more restrictive than that.

**PANSING BROOKS:** Who-- excuse me, I'm sorry. Who wants to set the minimum requirements? The schools?

**JAY BELLAR:** I, I said the NSAA does set the minimum requirements, but some schools choose to be more restrictive than that.

**PANSING BROOKS:** OK.

**JAY BELLAR:** And they want that local control, I guess you'd call it.

**PANSING BROOKS:** And do you have a list of those minimum requirements?

**JAY BELLAR:** Our minimum requirements are the ten credit hours, right.

**PANSING BROOKS:** OK.

**JAY BELLAR:** Right.

**PANSING BROOKS:** But no minimum requirements for the kids to be able to play?

**JAY BELLAR:** Well, that, that would go within their coaching ranks and, and, you know, what, what activity they're in. Each one of the schools develop those. We don't develop those for them.

**PANSING BROOKS:** OK, thank you.

**WALZ:** Other questions from the committee? I see none, thank you so much.

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**JAY BELLAR:** Thank you for your time.

**WALZ:** Other proponents-- opponents?

**JON CERNY:** Ready?

**WALZ:** Yeah.

**JON CERNY:** Good morning. I'm Dr. Jon Cerny, J-o-n C-e-r-n-y, superintendent of Bancroft-Rosalie Community Schools, and I'm appearing on behalf of the Bancroft-Rosalie School Board of Education before this committee in opposition to LB210. Our concern is that LB210 fails to recognize the importance of enrollment, that a student must be enrolled in a school to receive instruction and by extension, participation in school activities. The principle of student is embedded in our state statutes and regulations and upon which the Nebraska School Activities Association constitution and bylaws are based is that to be a student of an accredited school, a child must be enrolled in coursework for credit. The rationale for this principle is that a school is to provide the student with an education. In our, in our schools, there is no such thing as education without credit. The law requires schools to be in loco parentis when students are in the care of a school. As such, schools are responsible for the safety of students. To be so responsible, school personnel must be able to know and interact with a student. There are a myriad of stories where schools were not aware of an injury suffered by a student away from school that were not reported by the student or their parent. If a student is not receiving an education in school, I mean in a class for credit, the opportunity for the school to know and observe the student is greatly reduced, thus students' safety is reduced. Our statutes, particularly the concussion awareness statutes, require that school personnel be trained and objectively observe students in school and activities to recognize head injuries that can be life or wellbeing threatened and to take remedial action to ensure student safety. Parents are not required to be so trained and at times, not as objective as-- in regards to whether a student should be participating. This is not to say that stud-- that parents cannot monitor students, but this Legislature has placed such responsibility on our schools and LB210, by not requiring a student to enroll in classes, will severely reduce the ability of schools to keep students safe as mandated by this body. Nebraska schools certainly respect the

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efforts of the homeschool community regarding education. Such respect has resulted in modifications to the Nebraska School Activities Association bylaws to provide students providing their core academic instruction at home to participate in elective courses in our member schools and thereby participate in NSAA-sponsored activities. Conversations need to continue in order to address the concerns, concerns of both the homeschool families and the schools in which they reside. My school board is supportive of all children in our district and those who are enrolled in our school, but not residing in our district. For example, we received a request recently from a homeschool student in kindergarten that she be allowed to participate in our 21st Century after-school program, which we, of course, said absolutely. But because she was not enrolled, she was not-- would not qualify for federal subsidies of our after-school snacks, so we had to tell them that she could not participate in our program. But believe me, we made sure that she had a snack, even though it wasn't by the rules. But we fear that in-- LB210 will have a negative overall impact on students and significantly impact the school's ability to ensure a level playing field for all participants. It will encourage students to drop out from school. Students per-- to per-- students participate in activities without being enrolled in courses offered for credit would increase a risk of mischief on the part of some parents of athletically skilled, yet academically struggling students allowing a parent to withdraw an academically struggling student from a member school in order to maintain his athletic eligibility, thwarting the basic principle of our high schools to promote academics over activities. It will create an inequitable circumstance with the application of student participation rules and discipline. For example, enforcement of drug and alcohol policies that includes instances that do not occur on school grounds or at school activities. The bill could do-- could end up reducing high school activities in Nebraska to no more than club sports, with no required school affiliation to participate. The education community welcomes the opportunity to continue to work openly and collaboratively to provide opportunities for all Nebraska students. Thank you for the opportunity to testify on LB210.

**WALZ:** Thank you. Do we have questions from the committee? Senator McKinney.

**JON CERNY:** Yes.

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**McKINNEY:** Thank you for your testimony. I guess one question: if this was to pass, couldn't you still require students and parents to sign a school code of conduct book?

**JON CERNY:** I, I believe we can, I believe we can, but the bill does not require that-- the bill does not-- states that we, that we can enforce school policies on school grounds or at school activities. It doesn't say anything about enforcing school policies outside of school activities and many schools have drug and alcohol policies that say that, that if you're caught drinking, let's say, on weekends and are ticketed, that, that you can be withheld from activities. The bill does not say that we can enforce that, so I, I believe we can, we can require them to do that, but I don't know that we have a mechanism to enforce that.

**McKINNEY:** As a, as a coach, I'm almost sure we have discretion that if we were to figure-- find out a student was using alcohol or anything else, that we could hold them out of competition for as long as we wanted till their behavior change. Is that, is that the same in your district?

**JON CERNY:** It, it is, it is-- well, it-- the coach can-- the coach does not have that discretion in our district. The school administration has that authority to do that.

**McKINNEY:** OK.

**JON CERNY:** And I, and I believe that we probably could, but it, it doesn't specifically state that in the bill. And that is a concern for me, that if it's not written down, does it-- what, what is the rule? What is the rule?

**McKINNEY:** Thank you.

**JON CERNY:** Yeah, good question. Thank you, sir.

**WALZ:** Other questions? I see none, thank you so much.

**JON CERNY:** Thank you.

**WALZ:** Other opponents? Good morning.



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**JACK MOLES:** Good morning. I think it's the first time I've got to breathe without that face mask on for quite a few hours now. Good morning, Senator Walz and members of the Education Committee. My name is Jack Moles. That's J-a-c-k M-o-l-e-s. I'm the executive director of the Nebraska Rural Community Schools Association, also known as NRCSA. Today I speak not only on behalf of NRCSA, but also on behalf of the Nebraska Council of School Administrators, Nebraska Association of School Boards, Nebraska State Education Association, Schools Taking Action for Nebraska Schools, Nebraska childrens' education, and Stand for Schools. On behalf of all of these groups, I wish to speak in opposition to LB210 and we have several pieces of concern among us, but I'm just going to speak to three, really, right now. First is a concern that some schools [SIC] will actually quit going to school if the bill was in place. A second is a concern that school-- schools will have difficulty in having proper contact with students representing them in extracurricular activities. And the third is a concern that the Nebraska School Activities Association is being bypassed by this bill. One of the strengths of the strong extracurricular program in schools is, is that it tends to be a part of the education process upon which students place a particular interest. This interest often helps to motivate the students to place importance on their academic success. Its requirement to be involved in the academic program when the school is gone, then I have a concern that we may actually lose students as a result of that. In my career as a teacher and a coach and as administrator, I know I had students that if the, if the pull was not there to be in-- to be academically successful, if they did not have that requirement, they would not have come to school. They would have just played basketball or football or whatever else. They were really there for the athletics, but they had to go through the academic part of it, so that's really the thing that kept them in school. And I know I had kids in that situation. Those kids, most of them stayed in school and they were very successful after they got out of school and I think being tied in because of the activities helped to make sure that those kids were successful. Adopting this bill would serve to undermine the schools' guiding principle of trying to have a proper balance between academics and activities. An important aspect for school students who are involved in activities is the way in which school personnel have the opportunity to inter-- interact with them throughout the school day. And in my opinion, that cannot be overstated, the importance of that

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connection. There is more to it-- to the coach or sponsor and student connection than what takes place on the court, on the field, or on the stage. Coaches, sponsors, and administrators have expectations for students participating in activities and these expectations are fortified by the connections that are made during the day, during the school day. Also in athletics, this connection is sometimes a student health issue as coaches, administrators, or maybe the school nurse can check in on students who may have sustained injuries. In my, my own opinion, this is my own opinion, the ten credits that are currently required by the NSAA are not optimal for that connection, but they do provide some of the opportunities for those connections. Apart from the student side of this issue is the idea that the Nebraska School Activities Association seemingly has been bypassed here. There appears to have been little or no efforts made to discuss the issue surrounding this matter with the NSAA. Thus, the very organization that oversees the activities is the one who is being-- not being included in the discussion. The collective belief of all of the organizations on, on whose behalf I am speaking is that efforts should have been made to include the NSAA in discussions before a bill was introduced. Our recommendation is that there-- if there is a perceived issue, then let NSAA do that job. It's their job. So I thank you for your time and consideration and I urge you not to advance LB210.

**WALZ:** Thank you. Questions? Senator Linehan.

**LINEHAN:** Thank you, Chairman Walz. Thank you for being here today. Sir, do you have any statistics that homeschool students are not performing academically?

**JACK MOLES:** No. I, I-- Senator, I don't have statistics at all. What I would tell you is that we've got some homeschool situations out there, those kids are amazing. You know, I--

**LINEHAN:** So one of your--

**JACK MOLES:** --one thing I look at-- the Scripps Spelling Bee--

**LINEHAN:** --so one of your reasons, so one of your reasons for not wanting to do this is because you would have trouble keeping the students you already have in school?

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**JACK MOLES:** I think there-- I know I, I had kids that I coached or I was an administrator for that if given that opportunity, they would not have gone to school. They would have just played sports.

**LINEHAN:** Well, is-- do you think it's fair that we would punish the homeschool students because those students might not come to school?

**JACK MOLES:** I don't think we want to set up something where we're encouraging kids not come to school, though.

**LINEHAN:** And as far as your association being bypassed, I'm-- this, this has been in front of the Legislature several, several times, hasn't it?

**JACK MOLES:** The last time I know of was in 2017 and that's when the NSAA did--

**LINEHAN:** And then there was supposed to be an agreement.

**JACK MOLES:** Pardon?

**LINEHAN:** They were supposed to be in agreement on the 10 hours, 20 hours and yet one of the first testifiers-- proponents said that that agreement-- is there some loophole?

**JACK MOLES:** Yeah, I, I-- what it is is the NSAA has set a, a minimum standard for schools and schools did-- some schools have gone above that.

**LINEHAN:** So we don't really have an agreement is what you're saying?

**JACK MOLES:** Well, I think there, I think there is, but I, I--

**LINEHAN:** But the schools--

**JACK MOLES:** --I don't think everybody looks at it the same way.

**LINEHAN:** So some schools accept the minimum standard, but others don't.

**JACK MOLES:** That's the way I understand it. I know my-- when I was a superintendent, our school took the minimum standard.

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**LINEHAN:** OK, well, I think it'd be nice if the committee knew how many schools were not accepting the minimum standard. Thank you.

**WALZ:** Other questions? Thank you so much.

**JACK MOLES:** Thank you.

**WALZ:** Next opponent.

**JOSH SCHAUER:** My name is Josh Schauer. I am an attorney with the Nebraska School Activities Association. My name is spelled Josh, J-o-s-h, and Schauer is S-c-h-a-u-e-r. I made a number of changes, including saying good afternoon instead of good morning and reducing the testimony based on what you've heard from the other opponents this morning. As Mr. Beller noted, the concept of a child participating in school-sponsored extracurricular activities without being enrolled in such school for academic purposes is contrary to the very principle upon which the NSAA exists and to the very laws adopted-- adapted, excuse me-- adopted by this Legislature and regulations authorized thereby. The principle of enrollment in school to receive instruction and thus extension-- and thus, by extension, participation in school activities is ingrained in our statutes and regulations. Turning to LB210, the NSAA certainly respects the educational effort of the homeschool community. Such respect has resulted in modifications to NSAA bylaws to provide students receiving their core academic instruction at home to participate in elective courses in member schools and thereby participate in NSAA-sponsored activities. But LB210 creates a circumstance where there would be-- or there would not be an equitable opportunity for participation by all students. And it creates circumstances where school employees, to include administrators, teachers, coaches, and others, may not have the necessary interaction with the student to address that student's health, safety, injury, or other issues and meet the duties required under state statutes, including the concussion awareness statute referenced by Dr. Cerny. Schools are required by statute to protect enrolled students and to educate students on responsibility and conduct. This includes legislation enacted addressing bullying prevention and education, 79-2,137, addressing suicide awareness and prevention, 79-2,146, addressing student online personal protection, 79-2,153, and of course the Concussion Awareness Act. In other words, school officials, employees, administrators are expected to, to know a

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lot about their students and act on that information as-- in a number of ways specifically prescribed by the Legislature, assuming that the Legislature intended these safety measures to apply to all academically enrolled students, including those participating in school activities. The Nebraska Supreme Court long ago held that participation in school activities is a privilege, not a right, and that such participation by students is subject to the rules and regulations established by our schools, including voluntary participation in the NSAA and following their rules and bylaws and constitution. The United States Supreme Court has also addressed the role played by entities such as the NSAA and has determined that they're invested with a threefold obligation: (1) to prevent the exploitation of children; (2) to ensure that high school athletics remain secondary to academics; and (3) to, to promote fair competition among member schools. That's from Brentwood Academy versus the Tennessee version of the NSAA back from 2007. Other courts from around the country have, have looked into this issue and determined there's no constitutional right of a student not enrolled in a school to participate in activities, with one court stating that activity, activity association rules requiring enrollment in member school have a rational basis. A big one here is a case out of West Virginia about 15 years ago, Jones versus West Virginia, and it really addressed a similar issue. And again, I'll just quote, I won't read as much as I initially intended to, but some of the findings in this case, I think, are particularly pertinent today. The court there held that the parents of homeschooled children have voluntarily chosen not to participate in the free public school system in order to educate their children at home. In making this choice, these parents have also chosen to forego the privileges incidental to a public education, one of which is the opportunity to qualify for participation inter-- in interscholastic athletics. They talked about the need to promote academics over athletics and protecting the school systems, including economically. They also addressed that allowing homeschool children to participate in the interscholastic athletics would create a risk of mischief on the part of some parents of athletically skilled, yet academically struggling children. Specifically, a parent could withdraw a struggling child from the public system in order to maintain his or her athletic eligibility. Again, that's casting a super wide net, of course, and nobody's saying that everybody is going to do that, but risks like that certainly do exist under this type of

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legislation. Currently, we do have that sort of dual system, the, the ten hours required for homeschool students and, and 20 required for those enrolled in the district. Currently, this difference is supported by the assumption that homeschool students are receiving core academic instruction at home sufficient to support the additional ten credit hours. However, this has not been legally tested. The NSAA has made this rule change to accommodate homeschool students. The adoption of LB210, where homeschool students would not be required to enroll in credit classes, could further exacerbate this inequality that's already there to accommodate homeschool students. The absence of the ten-hour credit for academic enrollment could create further inequitable circumstances that would deny a level playing field for students enrolled in member schools and potentially lose that rational basis. It would also potentially create, as Mr. Beller noted, that opportunity to cherry pick, including you don't know exactly how this might impact private or parochial schools. You know, are, are they limited from engaging in, in this or having students, you know, play there and not enroll, things like that, or can we have a student who enrolls in one parochial school for football and then decides he wants to go to another one for basketball? There's just a lot of, a lot of questions and concerns raised by this. Thank you. I appreciate the committee's time.

**WALZ:** Thank you. Questions from the committee? Senator Linehan.

**LINEHAN:** Thank you, Chairman Walz. Early in your testimony, you listed several things you said the Legislature mandated.

**JOSH SCHAUER:** Yes, ma'am.

**LINEHAN:** Would you check and get back to the committee if the school associations didn't, in fact, support all of those?

**JOSH SCHAUER:** I could do that, ma'am.

**LINEHAN:** OK, thanks.

**WALZ:** Other questions? I see none, thank you for your testimony today.

**JOSH SCHAUER:** Thank you.

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**WALZ:** Any other opponents? Is there anybody that would like to testify in a neutral position? Senator Murman, you're welcome to close.

**MURMAN:** Thank you all for being so patient and listening this morning. Nebraska law provides for different forms of learning: public, private, parochial, and homeschool. Conscientious taxpaying parents ensure they do what's the best-- what is in the best interest of their student. This bill would provide homeschool students with an equal opportunity to participate in a variety of extracurricular activities that the school district already offers without imposing additional burdensome requirements. And I'd like to address just a few of the things that were brought up this morning. I did-- I didn't specifically talk to the NSAA, but the NSAA was aware of this bill because I did talk to the legislative counsel for the NSAA. The-- so, so they were aware of the bill coming up. The NSAA did take a survey of their schools, but they didn't survey home students, so they only got one side of the equation with their survey. And, and another thing that was brought up, it talked about-- some of the opponents talked about how are we going to monitor homeschool students or would they be subject to the same code of conduct that the public school students are? And they would have to follow the same rules with-- you know, in, in athletics, or whatever the activity is, as the public school students. For instance, bad language or whatever the case may be, drinking, drugs, they would have to follow all the same rules. So there-- all this-- this is not changing any of that. All this bill is doing is allowing a homeschool student to participate in activities. And another thing, it would have to be in their own homeschool district. They couldn't drop out of school and then go to a different school district and participate in a activity in, in a different school district. In fact, that's the reason I brought that amendment, to make that perfectly clear. And, you know, homeschooling is a form of education in Nebraska, as we saw from some testifiers today and also some of the letters that we got from testifiers. And by the way, there were many more homeschool testifiers that would have liked to come today, but didn't make it because of the weather. So I encourage you to all read those letters that have-- that you have. But who's responsible for the academics of their children? Is it the school or is it the, the parent? And I would say the parent has a lot more at stake and cares. And I'm not saying public schools don't care about students or anything, but the parent cares way more than anyone else

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could, so-- I think that's all the questions I wanted to ask, so-- please, please give this bill timely consideration and move it forward out of, out of committee. Any other questions?

**WALZ:** Questions from the committee? Senator Day.

**DAY:** Thank you, Chair Walz. I don't know how possible some of this is, but would you be willing to amend this to address some of the concerns in terms of a student playing football at one school and basketball at another school or some kind of reporting system for grade point average or I don't know if you would like to do that or--

**MURMAN:** I, I don't think homeschoolers would want to put any more rigorous regulations on, you know, participation than we already have. As far as participate in two different districts, this bill doesn't allow that. In fact, it specifically says they have to stay in their homeschool district.

**DAY:** Well, I think one of the concerns I hear is not necessarily district to district, but within the district itself. You know, if I was at North High and I played football at North High, then I played basketball at Central. It's in the same district, but the-- limiting it to one school or something like that. But that was just some of what I was hearing, so I was just wondering if you were considering amending it to address any of those questions. But if not, that's okay.

**MURMAN:** I'm not sure about that situation. I guess I'm, I'm thinking of a school that only has one high school. Where there's more than one high school--

**DAY:** OK.

**MURMAN:** --in a district, I'm not sure what the existing regulations are on that.

**DAY:** OK.

**MURMAN:** But this bill wouldn't change whatever it is.

**DAY:** OK, OK. Thank you, Senator.



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**MURMAN:** Yeah.

**WALZ:** Other questions from the committee? I see none.

**MURMAN:** Thank you.

**WALZ:** Thank you for your closing. We did have six letters for the record, three were in support and three were in opposition, so-- and that concludes our hearing on LB210. Thank you.

[BREAK]

**WALZ:** [RECORDER MALFUNCTION] to committee. I going to go through just a few COVID-19 hearing procedures before we begin. For the safety of our committee members, staff, pages, and the public, we ask those attending our hearings to abide by the following procedures. Due to social distancing requirements, seating in the hearing room is limited. We ask that you only enter the hearing room when it is necessary for you, for you to attend the bill hearing in progress. The bills will be taken up in the order posted outside the hearing room. The list will be updated after each hearing to identify which bill is currently being heard. The committee will pause between each bill to allow time for the public to move in and out of the hearing room. We request that everyone utilize the identified entrance and exit doors to the hearing room. We request that you wear a face covering while in the hearing room. Testifiers may remove their face covering during testimony to assist committee members and transcribers in clearly hearing and understanding the testimony. Pages will sanitize the front table and chair between testifiers. Public hearings for which attendance reaches seating capacity or near capacity, the entrance door will be monitored by a Sergeant at Arms who will allow people to enter the hearing room based upon the seating avail-- availability. Persons waiting to enter a hearing room are asked to observe social distancing and wear a face covering while waiting in the hallway or outside the building. The Legislature does not have the availability due to the HVAC project of an overflow hearing room for hearings which attract several testifiers and observers. For hearings with the large attendance, we request only testifiers enter the hearing room. We ask that you please limit or eliminate handouts. So welcome to the Education Committee public hearing. My name is Lynne Walz from Legislative District 15 and I serve as the Chair of the committee. The

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committee will take up the bills in the posted agenda. Our hearing today is your public part of the legislative process. This is your opportunity to express your position on the proposed legislation before us today. To better facilitate today's proceedings, I ask that you abide by the following procedures. Please turn off or silence your cell phones or other electronic devices. The order of testimony is introducer, proponent, opponents, neutral, and closing remarks. If you will be testifying, please complete a green testifier sheet and hand it to the committee clerk when you come up to testify. If you have written materials that you would like, that you would like distributed to the committee, please hand them into the page to distribute. We need 12 copies for all committee members and staff. If you need additional copies, please ask a page to make copies for you now. When you begin to testify, state and spell your name for the record. If you are not going to publicly, publicly testify, you can turn in written testimony with a completed green testifier sheet. If you would like your position known but do not wish to testify, please sign the white form at the back of the room and it will be included in the official record. If you are not testifying in person and would like to submit a written position letter to be included in the official hearing record as an exhibit, the letter must be delivered or emailed to the office of the committee Chair of the committee conducting the hearing on the bill or LR by 12:00 p.m. on the last day-- on the last workday prior to the public hearing. Additionally, the letter must include your name and address, state of position of for, against, or neutral on the bill or LR in question, and include a request for the letter to be included as part of the public hearing record. Please speak directly into the microphone so our transcribers are able to hear your testimony clearly. And finally, please be concise. Testimony will be limited to five minutes. We will use the light system. Green is five minutes remaining, yellow is when you have one minute remaining, and red is when you are to wrap up your comments. The committee members with us today will introduce themselves beginning at my far right.

**McKINNEY:** Hi, everyone. My name is Terrell McKinney. I represent District 11, which is, which is primarily north Omaha.

**MURMAN:** Hello, I'm Senator Dave Murman from District 38: Clay, Webster, Nuckolls, Franklin, Kearney, Phelps, and southwest Buffalo County.

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**PANSING BROOKS:** Good afternoon, Patty Pansing Brooks from Legislative District 28, right here in the heart of Lincoln.

**LINEHAN:** Sorry. Lou Ann Linehan, District 39.

**DAY:** Jen Day, District 49, which is northwestern Sarpy County.

**SANDERS:** Rita Sanders, District 45, Bellevue.

**WALZ:** I'd like to introduce our committee staff. To my immediate right is research analyst, Nicole Barrett. And to my-- to, to the end of the right, sorry, is our committee clerk, Kristina Konecko McGovern. And our pages today are Rebecca Heckel and Savana Brakeman. Welcome. Thank you. Please remember that senators may come and go during our hearing as they may have bills to introduce in other committees. I'd also like to remind our committee members to speak directly into the microphones and limit side conversations and making noise on personal devices. We are an electronics-equipped committee and information is provided electronically as well as in paper form. Therefore, you may see committee members referencing information on their electronic devices. Be assured that your presence here today and your testimony are important to us and critical to our state government. Lastly, a reminder, please allow pager-- pagers to-- or pages to sanitize in between testifiers. And with that, we will begin our first testimony with LB135. Senator Wishart, you're welcome to open.

**WISHART:** Well, good afternoon, Chairwoman Walz, it's always-- I always like saying Chairwoman, and members of the Education Committee. My name is Anna Wishart, A-n-n-a W-i-s-h-a-r-t, and I represent the great 27th District in west Lincoln. I am here today to reintroduce LB135. It's a bill that would increase the percentage of state reimbursement for special education over the next three years at three biennium, excuse me, to 80 percent through a stepped-up increase. For fiscal year 2022-23 and 2023-24, NDE would reimburse school districts for 60 percent of the total allowable excess cost of all special education. For years '24-25 and '25-26, it would be 70 percent. Finally in '26 and '27 and thereafter, the reimbursement would be at 80 percent. You can review the fiscal note to see the impact of these dollars from fiscal year '24 through FY '28. Colleagues, I brought this bill again this year for three main reasons. First, I believe the state should take a more active role in supporting children with special needs and

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their families. The investments we make today at an early age in children with needs and disabilities helps them stay healthy and learn while in school. And aids them in growing up to live a fulfilling life as independently as possible. Right now, the majority of the funding responsibility for special education falls in the form of an unfunded mandate on local communities, their school districts, and property taxpayers. Second, I see LB135 as an answer to those seeking property tax relief. Increasing funding for special education has the potential to significantly reduce local property tax investments in special education, especially in our rural unequalized school districts. In 2018, nearly 60 percent of Nebraskans' property tax dollars were levied by their local school district. Easing the burden on local school districts via the increased reimbursement from the state is one of the more commonsense approaches to property tax relief I've seen, which is why I'm bringing this bill again. Third, this bill is one of the few that will come before your committee with the full support of rural and urban school districts. Special education funding is a need-based aid that reaches all school districts who educate children with special needs. For rural school districts, a kid and their family who has disabilities moves into a school district, it can be a significant impact on their budget, on their annual budget. In urban school districts, they tend to have many more kids who have special needs. And so, again, this is a funding opportunity for all school districts. As I mentioned last year when I introduced this and was also working on a resolution, really the responsibility and just to step back, especially for the members who are new to this committee, because I've been working on this for several years in different forms, really the responsibility of special education funding is, is a federal responsibility. The requirement that all children with disabilities be provided a free and appropriate public education in the least restrictive environment was passed by the federal government in 1975. And it's called the Individuals with Disabilities Education Act. And it's a fantastic idea. And it was long overdue for this to happen. But it is also a mandate on states and on local school districts to provide quality education for kids with special needs. And so when this was passed by the federal government, the Act promised and the federal government promised they would provide 40 percent of the cost of states and their local school districts meeting the individual education plans that kids with special education have. And since the beginning of IDEA, the federal government, they have never met that

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promise of 40 percent. In fact, for many years, Congress has paid less than 8 percent, less than eight percent of the funding that goes to fund kids with special needs in our state and at our local school districts has been funded by federal government. Instead, the state and, and some of the testifiers following me can talk more numbers. We as a state have funded about 48 percent. It goes back and forth of special education needs, and the rest of this "falled" on, on local communities and their school districts to meet those needs. You know, we passed last year with bipartisan support. Senator Linehan and Senator Patty Pansing Brooks were co-sponsors of a resolution, but the body unanimously voted in support of it. It was a resolution calling on the federal government last year to pass H.R. 1878. It's known as the IDEA Full Funding Act, and it aims to reach that 40 percent. And the reason I tell you about the, the federal initiative that is going on is that there is a potential that if we as a state take on the responsibility up to 80 percent of a stepped increase of funding special education and remove that responsibility from local communities and their community members and school districts, then if the federal government does move forward with passing this initiative at the federal level, that would relieve the state. So it would be a, a win-win for, for all of us. So I just wanted to put that in perspective. We may see an opportunity for that happening in the next four years. There will be other people who will come and testify to this. I have two testifiers here that braved the cold to come and former Senator Colby Coash will be here with the School Board Association and Jack Moles who can talk numbers. But I-- with that, I'm happy to answer any questions you may have of me. Thank you.

**WALZ:** Thank you, Senator Wishart. Do we have any questions from the committee? Senator Linehan.

**LINEHAN:** So the money that comes from-- it's my understanding and I could be off on this, but about a half of the money that the Department of Ed sends the schools comes from the federal government.

**WISHART:** I-- Jack can answer that a little bit better.

**LINEHAN:** OK.

**WISHART:** But I don't know if it's necessarily half percent. I think it varies in terms of what we get.

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**LINEHAN:** So would this 80 percent, would that include the money we get from federal or would the, the federal be on top of that?

**WISHART:** This 80 percent would be the state's funding of special education. So it would be our responsibility.

**LINEHAN:** Is anybody from the Department of Ed gonna be here?

**WISHART:** I don't think they're gonna--

**KEVIN LYONS:** Yeah, I'm here.

**LINEHAN:** OK.

**WISHART:** Oh, well, fantastic. Yes.

**LINEHAN:** Good. OK, thanks.

**WALZ:** Do we have any other questions? Thank you. All right, at this time, we're ask for any proponents.

**COLBY COASH:** OK. Good afternoon, Chairwoman Walz, members of the Education Committee. My name is Colby Coash, C-o-l-b-y C-o-a-s-h, and I'm here today representing Nebraska Association of School Boards. But I also have the honor of representing other groups, including the Council of School Administrators, the State Education Association, the Rural Schools Association, the Greater Nebraska Schools Association, the Educational Service Unit Coordinating Council, Stand For Schools, and STANCE. So this is a bill that is supported by a whole spectrum of education-- educators-education advocates and this wide range in coalition of educational leadership is here in support of LB135, and it illustrates how impactful this bill is to Nebraska schools. As I work with districts of all sizes in all parts of Nebraska, there is one theme that is consistent, the number of children needing special education is increasing and the needs of those children is increasing as well. And as a result, the cost of educating special education students has grown. The percent of a district's budget dedicated to special education is growing, and in some districts, special ed budgets have grown by 20 percent in one year. It simply costs more to educate students with special needs. While the medical world has evolved in their identification of special education students, the education world has not kept pace with the funding needed to provide

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those resources to the increasing numbers of students needing services. Preparing all students for citizenship after graduation has become increasingly difficult as fiscal needs increase and federal investments remain limited. The fiscal impact and savings to property taxpayers in this bill cannot be overstated. A greater participation in the cost of special education by the state would directly impact property taxpayers. In closing, LB135 enjoys broad support because it is a measure that supports all special education students in all districts across the state. And for that reason, we collectively encourage you to advance LB135. Thank you.

**WALZ:** Thank you. Do we have questions from the committee?

**COLBY COASH:** Thank you.

**WALZ:** Thanks. Next proponent.

**KEVIN LYONS:** Good afternoon, Senator Walz and the Education Committee. My name is Kevin, K-e-v-i-n, Lyons, L-y-o-n-s. I'm here today to testify on behalf of the Nebraska Department of Education in support of LB135, Senator Wishart's bill to incrementally increase the percentage of the special education reimbursement up to 80 percent. The current reimbursement rate as estimated for 2020-2021 is 46 percent. So this bill would significantly increase that percentage over the period. NDE believes right now is the right time to bring the special education reimbursement back to 80 percent, as was originally intended for a couple of reasons. First, due to the pandemic and disproportionate effect it has had on learning loss for the most at-risk students, we are anticipating spade-- SPED-related costs will be increasing faster than normal for the next couple of years as districts attempt to help students get caught back up with their learning. Second, as ag valuations decrease, there will be more stress put on nonequalized district budgets as their levies climb due to the SPED cost and valuation decreases. Third, as a state continues to look at property tax relief, we will be-- we believe increasing SPED reimbursements is a simple and fair way to provide additional state resources for all districts across the state. And does that in a way that supports some of our most at-risk students. As you consider the impacts this bill would have on our state, both educationally and financially, it is important to note that the cost of increasing the SPED reimbursement is not nearly as expensive as it might appear

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initially, since roughly 74 percent of any increase in, in SPED reimbursement results in the direct reduction of the amount of the TEEOSA, state aid to the public schools, the state is required to fund two years later. Since special education reimbursement is an accountable receipt, the extra reimbursement is considered a resource for the district and reduces equalization aid two years after it is paid out to our district as a SPED reimbursement. NDE believes that increasing the SPED reimbursement amount is beneficial to all districts as nonequalized districts receive additional state aid that is guaranteed to keep coming due to the maintenance of effort requirements and equalized districts receive additional aid for two years before they see their aid level out to amount similar to where they were the prior-- prior to the increased SPED reimbursement. Because of how TEEOSA formula works, some equalized districts may end up a little better off after the increase of SPED reimbursement and some a little worse, which is simply the TEEOSA formula directing more aid to districts actually incurring the SPED cost instead of all districts in the basic funding array sharing the reimbursement for SPED cost equally. As I am filling in for Bryce Wilson due to the storm, I can try and answer your questions you may have, and would encourage you to work with Bryce on your questions, if at all possible. So I work directly for Bryce as the director of State Aid. So if there's any questions.

**WALZ:** Are there any questions from the committee? Senator Linehan.

**LINEHAN:** Thank you, Chairwoman Walz. Nice to meet you. I didn't think you looked like Brian [SIC] when you were sitting back down, like, that's not Brian [SIC]. So right now, I think what you're saying is the equalized schools, they get reimbursement because it's part of their needs.

**KEVIN LYONS:** Yes.

**LINEHAN:** The ones that are really getting bumped are the unequalized districts because they don't get any equalization aid. So their needs go up, their property taxes go up.

**KEVIN LYONS:** Yes, Senator.



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**LINEHAN:** OK, so the other question I had, the federal-- how much does Nebraska, if you don't know this, but do you have any idea what we get-- comes to the Department of Ed from the federal government for special ed?

**KEVIN LYONS:** That would be an answer that could be answered either by Bryce or our Special Education Department that receives that.

**LINEHAN:** OK. I think it would be helpful if the committee knew how much the federal government sent to the Department of Ed. And then is your understanding the bill, that the state reimbursement 80 percent would include the federal money or the federal money would be on top of 80 percent?

**KEVIN LYONS:** The federal money would be on top because the calculations I do going off schools' annual financial reports, I pull specific special education funds or codes, and that's how we, we do that. So by increasing this incrementally, it's going to allow each school district to increase in their special education funding, which increases the number on the TEEOSA. And then that will be offset when we start comparing the allowances and adjustments.

**LINEHAN:** But if the state picks up 80 percent and if it's on top of that, wouldn't that be over 100 percent?

**KEVIN LYONS:** Senator Linehan, I would have to have Bryce address that.

**LINEHAN:** OK, well, I think that would be something we really need to figure out, like how the federal money works with the state money.

**KEVIN LYONS:** Yes, Senator.

**LINEHAN:** OK, thank you very much for being here.

**KEVIN LYONS:** Yep.

**WALZ:** Thank you. Any other questions from the committee?

**McKINNEY:** I got--

**WALZ:** Senator.

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**McKINNEY:** Will there be any program affected by this increase?

**KEVIN LYONS:** I'm sorry, Senator, can you repeat?

**McKINNEY:** If we-- if funding is, is increased to special education, will there be any negative effects to any programs or anything within the system?

**KEVIN LYONS:** Senator, at this time, NDE believes there will not be negative effects to any, any other programs that we're working with through school finance.

**McKINNEY:** OK.

**WALZ:** Senator Murman.

**MURMAN:** Thank you for testifying. And this may be the same question that Senator Linehan asked, but would this if the state would provide for 80 percent of special needs, would that increase or decrease the amount of aid coming from the federal government?

**KEVIN LYONS:** Once again, I would have to defer that to Bryce and the Special Education Department.

**MURMAN:** OK, thanks.

**WALZ:** Other questions from the committee? I don't see any, thank you so much.

**KEVIN LYONS:** Thank you.

**JACK MOLES:** Good afternoon, Senator Walz, members of the Education Committee, my name is Jack Moles. I'm the executive director of Nebraska Rural Community Schools Association, also known as NRCSA. Earlier today, I didn't get to tell you much about our organization, but we're made up of 213 member institutions, 197 of those are rural schools, rural public schools. On behalf of NRCSA, please accept this, this testimony in support of LB135. We do appreciate Senator Wishart for introducing the bill. Special education costs consistently climb at an astonishing rate in many districts. The attached document, which was-- this was developed by the Nebraska Association of Special Education Supervisors. And it really does a pretty good job of giving

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you a primer of how where funding is coming from and, and what's happening to cost. What I want to really draw your attention to is page 2 and the chart in the middle, it says local spending continues to increase. It looks over a 10-year period from 2010 to 2017. Over that time, SPED costs have increased 54 percent. In the meantime, state reimbursement only grew by 24 percent. And since where everybody is beating up on the feds today, federal reimbursement actually went down 47 percent during that same time frame. Senator Wishart did attempt to address that last year. She introduced LR306. And we greatly appreciate her attempts to help schools meet their special ed expenditure responsibilities. I've been working on a study of special education expenditures in all public schools in Nebraska. And one of my findings is that from 2000-- I used a different time frame than, than the brochure, from 2008-2009 up to 2018- 2019, 40 Nebraska districts saw their SPED expenditures increase by over 100 percent. And the highest was Cedar Bluffs, up 480-- about 485 percent increase in their special education expenditures. I list the next ten-- or the next nine. So your top ten are right there, Deshler at 332 percent, Wallace at 268.08 percent down, to Bennington at 170-- about 175 percent. Additionally, what I found is 92 other districts saw their special education expenditures increase between 50 percent and 100 percent during that same time frame. Statewide, schools saw an average increase in SPED expenditures of 53.46 percent. And actually during, during that time frame, eight school districts actually lowered, were able to lower their special education costs. Increases in special education are largely out of the control of the public schools. Schools simply must meet the requirements of students' individual education plans and sometimes have to make some tough decisions on maybe lowering what they're spending on, on regular education. Public schools have come under a lot of fire lately. The claim is that schools must get spending under control and that stronger caps on property taxes are needed. If the state were to increase its reimbursement rate for SPED expenditures, I believe many schools would be able to lower their tax asking. Senator Wishart's LB135 would help to create that situation. NRCSA does recognize that the fiscal impact on the state is going to be large. But this bill does treat all schools equally or fairly. It's based on true spending. It's not based on projected spending. It's based on true spending. And it does provide an opportunity to provide true property tax relief. So we would encourage you to move LB135 out of committee.

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**WALZ:** Thank you so much. Questions from the committee? I do have a question. Eight school districts saw a reduction in their special education expenditures. Do you, do you know why? I mean, was-- were they-- do you know why?

**JACK MOLES:** I don't know why, but I think I can make a pretty good educated guess. And my guess is they lost higher-need students, so, during that time frame. You know, maybe a family moved out. And, and a lot of those would be-- a lot of the districts that were able to lower the special education expenditures were, were smaller districts. My guess is a family moved out, or a couple of kids who were higher-need kids either graduated or moved on.

**WALZ:** OK. I did-- I just wanted to know if, if it was because they, you know, they weren't providing the, the programs that, that were necessary.

**JACK MOLES:** I, I would-- I don't think so. I would like to hope that didn't happen.

**WALZ:** Yeah. OK. All right. Thank you so much.

**JACK MOLES:** Thank you.

**WALZ:** Any opponents? Anybody in neutral? Senator Wishart, you're welcome to close. While she's getting ready, I will say that we had nine letters for the record in total and three in lieu of testifying letters, so. Thank you.

**WISHART:** So I just wanted to close and answer a few questions. Senator Linehan, I don't think I quite understood at first your question, but I do now. So my intention with this bill, and I think it's written this way, but we'll definitely follow up to make sure it is, is that we give NDE the ability to reimburse school districts up to 80 percent in the stepped increase. That's a combination of federal and state. So ultimately, my goal is that 20 percent of the cost of special education will be met by local communities. So if the feds come through with their promise, then we have less responsibility in that. I also wanted to add that I believe in 2016, and I can get you 2017, '18 and '19 and '20 numbers. But in 2016, the federal government's

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percentage that came in from the feds was 16.3 percent to the state. That's all.

**WALZ:** All right, any more questions from the committee? Thank you, Senator Wishart. That concludes our hearing on LB135. I'm hoping Senator Wayne comes for the next hearing.

\_\_\_\_\_ : Yeah, he was just here.

**WALZ:** Here he is. Are you the Lone Ranger today?

**WAYNE:** I, I don't want to testify.

**WALZ:** All right. Welcome, Senator Wayne, and we'll open with LB153.

**WAYNE:** Good afternoon, Chairwoman Walz and members of the Education Committee. My name is Justin Wayne, J-u-s-t-i-n W-a-y-n-e, and I represent Legislative District 13, which is north Omaha and northeast Douglas County. I don't know kind of where to begin, because this bill has come since I was on the school board as school board president, I first introduced it in 2015. And it's come every year. And during those five years, there has been no opposition testimony. All this bill does is, is allow for those who take less than 50 percent virtually to be calculated. Now the reason why that's confusing is because they are calculated three years later. So we have our fall membership enrollment, which is calculated for full-time students only. At the end of that, every three years we have what's called an averaging, averaging member-- averaging daily membership, and that's every three years look back. So they are counted every three years. So we're talking basically a cash flow issue where they're not counted initially in the beginning. And every year this has been brought, it was on behalf of OPS and their virtual school. And when I was board president, we started it there for the funding. But this year it kind of takes a new effect with the pandemic and so many schools going virtual. And I'll just give you a brief story of how we got here. In 2008 and '09, I attended-- I was up for Chicago for work and I attended the Malcolm X Community College program in which they had a blended learning environment for those who either dropped out looking for credit recovery as a way to deal with working parents or just those who weren't engaged in traditional schools. At that point, when I came back, we started having conversations in Omaha Public Schools.

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And then in 2013, this body changed the board dynamic of Omaha Public Schools, moving it from a 12-member board to a 9-member board. We had special elections in the spring and then at that point we began a new superintendent search. The superintendent we hired was Mark Evans, who came from Kansas, in which out of the 230 districts, a little bit over 70 of them already had virtual schools, of which he had one and he created himself at his school outside of-- now I can't-- just drew a-- Wichita, he was at school outside of Wichita. So it was natural for him to want to do it. In 2010, and the neighborhood that I live in, we had a lot of homeschool, particularly the neighborhood of my next door neighbor at the time were homeschooled. And what we found out was that they wanted to take a higher math class or a AP class, they had to go to Metro Community College where they had to spend money. Now these are also taxpaying citizens who pay property taxes but could not access the public school system in a virtual way. So the combination of those two Omaha Public Schools launched in 2015, their Omaha Virtual School at the, at the time, it was a K-3 three. And it has kind of grown since then. But ever since then we have come down here and I have come down here asking for an adjustment in the TEEOSA formula to count non-full-time students who tend to classes because they are taking classes in the school should be compensated or appropriated through TEEOSA in the correct, correct way. So that's the genesis of the bill. This is not new to the Education Committee or to the education environment. In fact, we made a similar adjustment over the last ten years in the NSAA rules allowing, and I think it was brought up today, allowing athletes from homeschool to participate as long as they take two classes. At least that was the, the deal that was brokered when I was on the school board. So we're asking for the same kind of thought process. You have students who are at home who want to be engaged and typically around specific, specific educational ideas, whether it's chemistry, whether it's math at the high school level, or believe it or not, we have about 1 percent in Omaha who are homeschooled because of either athlete-- athletes' special needs and some of them are just fearful of school. And this provides them with the opportunity to go to a public school and be able to engage with the students and teachers in a, in a matter. Now this, again, was foreign a year ago when I sat in this committee and I looked at the transcript and Chairwoman Walz and I were going back and forth about a blending learning environment and how it works. Well, that all disappeared during our pandemic. Virtual schools are a thing. In fact,

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most schools are trying to go virtually. And so this is a way to make sure that those students are accounted for and they're not delayed for three years. It's not a foreign concept. They're still counted, but it's almost a-- it's actually four years because it's a three-year averaging adjustment in which you look back a year. So it's a four-year period before that school gets credit for the student they taught. No fiscal impact. I want to stress that. So there's no fiscal impact by NDE. So this is a noncontroversial bill, but the last couple of years, it seemed to be a late hearing all the time and we were doing a lot of things. And now that we got an early hearing, I think we can put something together to make this work for all students. I'll answer any questions.

**WALZ:** Questions from the committee? Senator Day.

**DAY:** Thank you, Chairwoman Walz. So when you say virtual school students, these are students that are taking classes through the district's virtual program, correct? Not an out-of-state virtual school program. Yes?

**WAYNE:** Technically, the answer is yes.

**DAY:** OK.

**WAYNE:** At the time of-- just to be transparent with you, because the person coming up behind me represents the, the college-- or, or the organization, I don't want you to be confused. At the time, Omaha Public Schools did not have the bandwidth. And so we looked at the learning community when we did our due diligence and we, we hired K12 to run our virtual school. When I say run, I mean provide the platform, provide everything, the teachers, all Omaha Public School teachers who teach it. So I would tell you to look at it as buying the curriculum like you would from anybody else. We bought the curriculum from K12 and we set it up initially at the Fort Omaha Campus and then-- we set up initially at the Do Space and we had a blending-- a blended learning environment. We made sure students attended a face-to-face teacher interaction at least one day of the week so they would meet at to Do Space. Then they were at the Fort Omaha Metro Community College Campus the following year and now they're at the TAC building. And once a new program is built, they'll move over to a different building. But it is a virtual school. So, yes, it's by the

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public schools. But I don't want you to get confused when the next testifier says they're with K12 and how they play into it. So we contracted out with K12.

**DAY:** OK, thank you, Senator.

**WALZ:** Other questions? I see none, thank you, Senator Wayne. Proponents? Welcome.

**SCOTT LAUTENBAUGH:** Thank you. Good afternoon, Chair Walz and members of the Education Committee. My name is Scott Lautenbaugh, L-a-u-t-e-n-b-a-u-g-h, and I'm here representing Stride Inc., which is the new name for K12. And I'm a proponent of this bill. We are proponents of this bill. The name was changed because their education mission has expanded beyond K-12. They do some career certification and whatnot for postgraduates, if you will, so K12 really didn't fit anymore. So now we're called Stride. We are the curriculum provider for the Omaha Virtual School, which I believe is the currently the only virtual school in the state associated with the school district. It was kind of a novel approach that we went with an existing district and just partnered with them. And nationwide, this is discussed as the Omaha model. It's not a full-time online. It is actually the in-person component as Senator Wayne alluded to. This is a bill that we've been trying to get passed for several years. And as you can see, it always packs the room when we bring it. People opposed. Actually, we've never had any opponents to my knowledge. It is simply making it possible for kids to be counted if they're only taking one or two classes, not over 50 percent, at which point they're deemed full time. It's forced by OPS to pretty much require people to be full-time virtual school students so they get counted and paid in the current year, if you will, just, just adjust that to reflect the percentage. It's a very simple concept. It's never been anyone's priority. So we've had to try to attach it to other bills that made it out of this committee on the floor in the past. And sometimes there wasn't a lot of enthusiasm for that. So here we are again, I guess, is what I'm saying. I'd be happy to answer any, any questions you have about us or Omaha Virtual School or anything else, really.

**WALZ:** Thank you. Questions from the committee? Thank you.

**PANSING BROOKS:** I have a question.



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**WALZ:** Oh, Senator Pansing Brooks.

**PANSING BROOKS:** Thank you for coming, Senator Lautenbaugh. I'm just trying to understand. So what, what was it about the minimum requirements for the school? Was there-- were there a minimum number of hours or classes allowed?

**SCOTT LAUTENBAUGH:** The way it works under the current formula is that if you're more than 50 percent, taking more than 50 percent of your classes that counted as full time. This creates a disincentive for anyone to take students that just need a class or two. And this came up in the last hearing that, in 2019, that concern was how are we dealing with those kids now that need a class and can't just go get it otherwise? And they are going to out-of-state providers, sometimes accredited, sometimes not. So this provides a solution in Nebraska with Nebraska certified teachers to deal with these kids that don't want the full gamut of virtual. They just want-- need a class here or there that isn't available where they are.

**PANSING BROOKS:** And so, so you're saying right now they have-- to be full time and they have to get-- have 50 percent. So do they get full time by taking just one course? I'm sorry, I'm confused about the full-time designation.

**SCOTT LAUTENBAUGH:** Right now it's kind of, above 50 percent, they're deemed full time. Below it, they get caught up some other year. This would make it a percentage of how much they're there. That's how much funding under TEEOSA the public school district would get for that year.

**PANSING BROOKS:** OK.

**SCOTT LAUTENBAUGH:** So if they're at 10 percent, it's 10 percent. There's no all or nothing, 50 plus one.

**PANSING BROOKS:** OK, good. Thank you. I see. Thank you.

**WALZ:** Other questions from the committee?

**SCOTT LAUTENBAUGH:** It was a terrifying drive down here and I'm not going home, so take all the time you need.

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**WALZ:** Thank you--

**SCOTT LAUTENBAUGH:** Thank you.

**WALZ:** --so much for coming down. Other proponents? Do we have any opponents that would like to speak? Anybody that would like to speak on the neutral? Senator Wayne, you're welcome to close.

**WAYNE:** And I, I do want to close and I appreciate it, because there's a couple of points that I just want to clarify. I mean, one, there's no fiscal note, which has always been an issue since we've been here, that you can't have a-- if you have a fiscal note, it can't come out. But two, this is not just a OPS bill in this-- in the fact of under this, it actually-- theoretically OPS could lose dollars. They won't because here's why. When we were on the board, we made the decision that you have to be a full-time student because under state law, we would not get any funding for those who are 50 cent-- or 50 percent or below. So in order to enroll in Omaha Virtual School, you have to be a full-time student. And the reason that actually hamstringing them is because if you only want to take, say, in high school two, two classes, you're not considered full time so OPS had no incentive to serve those kids because you weren't getting credit for them. So we made the policy decision. So I said theoretically it won't actually cause OPS dollars because all of them are currently enrolled full time. But theoretically, if they were only there for a couple of hours, they would. But it would open up to a gamut of new students who may want to participate in North High's engineering program, but not attend North High School because they're homeschool for whatever-- maybe religious reasons or for whatever reasons. Second, this actually expands rural Nebraska, a rural school district could create a virtual program and attract students from other parts of the rural community in which they would get increased funding from TEEOSA underneath this formula. So they would actually make money, in a sense, to increase their dollars. If they're, if they're already getting TEEOSA funding, they would get more. So it would incentivize school districts who are maybe struggling a little bit financially of how to get more students there, maybe a, a declining population that they can offer virtual some of the schools. And it also creates a partnership in which school districts might be able to collaborate together on the virtual side to where they can offer a special math class and get credit for that, while the kid may still attend a different school district and it

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adjusts it accordingly. The issue of full time-- oh, I just explained that. The issue of full time is a big issue and why OPS has never been incentivized to do it. The fact of the matter is, is five years it was about OPS, but this pandemic has shift that. We have to figure out as a body how we're going to calculate virtual school when people are doing it. For example, this year, Omaha Public Schools was 100 percent virtual at the beginning of their school year when their fall membership counted. If those kids didn't show up, didn't log on that day, they were not counted. This gives them an opportunity that throughout the rest of the year we can adjust that right now. Otherwise, OPS has to wait three to four years to collect those dollars on the average rate adjustment. So it's a-- it's gives the discretion and it is kind of open to help NDE write its own regs to help figure it out. But it does give the ability for OPS to collect those students who are 100 percent virtual at the beginning of the year, immediately at the end-- as far as their fall membership. So it is important. And the last thing I want to mention, like the Malcolm X Community College, this also gives the ability to offer more credit recovery classes at the high school level. A kid may have a, a problem one semester and falls behind. That kid is just one-time counted, but he may hear-- he or she may not want to engage full time at that school anymore. They may be working to take care of their kid. They may be working to take care of a loved one who is sick and they can only take two or three classes like many people do in college. Well, Omaha Public Schools-- in fact, any school across the district who is offering this across the state, who is offering this type of learning environment will not get credit for that child unless they're enrolled full time under Nebraska law. That does a disservice. So I think it's imperative that we do something. And if anything the pandemic has taught us, we're not ready for some kind of calculation of virtual school. And this at least gives us the framework to start that conversation at a very basic level. Whatever class you take, whatever that equals to, the school gets funding. I don't know how more basic we can get.

**WALZ:** Thank you, Senator Wayne. Do we have questions from the committee? I am going to just ask a couple of questions, just to clarify a couple of things. So virtual learning takes place in their home or is it do they meet with other kids at a different location?

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**WAYNE:** Five years ago or three years ago, it was they met one time in a blended learning environment, so they met one time with other students and a teacher. I don't think we can define it that way anymore with the pandemic that for the first semester, at least in Omaha Public Schools, they met with nobody. So they were at home. So I would tell you that virtual, at least underneath our definition, would be left to the school districts or NDE to define that of how they want to do it.

**WALZ:** OK, I just wanted to clarify that for everybody. And then how broad are the classes that are available?

**WAYNE:** Well, that's the beauty of the virtual system in the sense of right now just to be transparent, a student could do a-- I think, last year, Senator Pansing Brooks brought up the Nebraska University system as a virtual school for high school students. But you have to pay, so you have to pay it. But how broad is it, is as broad as we want it to be. If we want to take-- if we want to figure out or the school district wants to do a class designated to chemistry seven, eight that deals just with nickel and iron, I'm sure they can find a virtual program and a professor who will teach that and if they have a need to do it from students, it, it could happen. It could be as limited as only English. I mean, it could be whatever we want it to be. But I think the key is it should be accredited and it should be through a public school.

**WALZ:** OK. Thank you. Senator Murman.

**MURMAN:** Yeah, I, I need clarification also. Now the virtual learning that is done through the school district, this does not affect that. It's only virtual learning that is done outside the school district and part time-- I mean, not full time.

**WAYNE:** No, it would be, so it would be in the school district. So the school district-- I was going to name one of your school districts but I drew a blank, so I'll do Elkhorn. So if Elkhorn wanted to have a virtual school, it would be, it would be given through their school system. So it would be the school system opening up its doors to virtually anybody via the Internet. And that, and that school district would run it. They would run it like they would a regular brick and mortar school. So they could require them to come to Elkhorn High

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School in the gym once a, once a week. Or they can say, you got to be here three times a week, or it could be you don't have to come at all. That virtual aspect is truly defined by your local school district. We're saying if you choose to do a virtual school or a virtual curriculum, you should be able to be compensated from the district, even if it's only 25 percent. It shouldn't have to be a full-time student. So we're truly trying to look out for those who are nontraditional students, home students and quite honestly, outside of your district. So if Elkhorn recruits kids from Millard to participate in their virtual school, then that's growing Elkhorn's district by those students coming over. So it's just-- but it is truly ran by the district.

**MURMAN:** OK, so a school is reimbursed for virtual learning no matter if it's in-- within the school district or with-- outside the school district.

**WAYNE:** If, if the-- yeah, it doesn't matter where the student comes from, it's-- I guess the best way to say it is subtract the word virtual and just picture a regular brick and mortar school. So if a student goes to that brick and mortar school inside that district, that district counts that student as a student, as a full-time student, as a student in which is plugged into their daily attendance for TEEOSA. We're saying take that same concept for a virtual. But instead of them having to be full time completely, that they should be able to get credit for one or two stu-- one or two classes that student takes. That's all. It would match how much they go to the school.

**MURMAN:** So when we're talking about the pandemic, the schools are reimbursed now for the virtual learning they do during the pandemic. Is that correct?

**WAYNE:** They are only for full-time students. So if you weren't enrolled full time and we're talking-- I mean, I don't see practically how a K-6, like a first, second or third grader wouldn't be full time. Maybe there's a, a way that is, but we're really talking about high school. So if you're talking about a high school kid who maybe wasn't showing up or maybe had a-- during the pandemic, had to go pick up a job to help Mom and Dad out who lost their job, then they wouldn't be counted unless they were full time. That kid could have, could have,

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could have still been taking math and English. But because they didn't take math, English, and a social studies, they're not counted in the, in the, in the fall count. Now what's weird about Nebraska and our TEEOSA formula is three years later they are counted. That's, that's the disconnect. So we're already counting them. But it's three years later. It's a three-year gap on the average daily membership. And that's the gap we're trying to eliminate. It just doesn't make sense, why count them three years from now, but not count them now. That's really the simple argument and that doesn't change anything.

**MURMAN:** OK, I think I understand. Thanks.

**WAYNE:** Yep.

**WALZ:** Any other questions from the committee? Thank you, Senator Wayne.

**WAYNE:** Thank you. And I look to debating this on the 16th on the floor Monday, or that Monday morning. Appreciate it.

**WALZ:** Yeah, I wanted to mention that we did not have any letters for the record. That concludes LB153 and we are going to have Nicole open and introduce our next bill, LB323.

**NICOLE BARRETT:** Well, good afternoon, Chairwoman Walz and members of the committee. My name is Nicole Barrett, N-i-c-o-l-e B-a-r-r-e-t-t, and I am the research analyst for this committee. And I'm here to open on LB323 today, which makes changes to the Tax Equity and Educational Opportunities Support Act, TEEOSA, in school fiscal years affected by a pandemic which is defined as having a state of emergency related to a pandemic declared by the Governor pursuant to the Emergency Management Act. So the intent of this bill is to address the TEEOSA calculation issues caused by the pandemic and the corresponding data reporting. Specifically, it addresses early childhood program hours reported, used in the calculation of formula students, summer school programs going virtual. It adjusts the transportation allowance to account for pandemic-related transportation costs incurred after in-person learning ended when the pandemic began. So really, this is trying to help keep school districts to get what they were originally certified to get. So this isn't extra money. This is trying to address those things that we couldn't have foreseen. Since this bill was

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introduced, we also realized that there was one other area that we weren't coming-- or we weren't prepared for or didn't realize was going to be an issue. And that relates to the student-growth adjustment. So we know a lot of students went onto-- went to homeschool this year because of the pandemic. And so we don't want to penalize schools for a negative student-growth adjustment in this one year if it's a one-year reduction. So what we've done is we-- I've just passed out an amendment. The amendment is meant to, if they are negative after one year, or in this first year with student-growth amendment-- or student-growth adjustment, we would not penalize them financially. We would give them one more year. If they had positive growth, they would get the funding. And then in the second year, if they hadn't made up that growth, then we would reduce that funding. As you heard on an earlier bill, Bryce Wilson wasn't able to make it in because of the snow today. So my plan was to turn it over to him for questions. We do have Kevin here who's going to testify again, but Bryce wanted me to communicate that he is happy, he is actually watching and has been texting me a little bit, he is happy to answer any of those questions. So we're going to not hopefully put Kevin in the hot seat too much. But you can filter any questions through me and I'll work with Bryce and we'll get answers to any questions that you have, because these are very technical. But we're just trying to make sure we get things right because of the pandemic. So I can attempt to take any questions if you have any, but I may defer to Bryce as well.

**WALZ:** Any questions from the committee? Senator Linehan.

**LINEHAN:** Thank you, Chairwoman Walz. I find the fiscal note a little frustrating because clearly there would be some fiscal impact if we, if we went-- if we didn't change the-- if we didn't do this.

**NICOLE BARRETT:** Well, you know, I would have to verify with the Fiscal Office. But really-- yeah, it would-- I think it would be a negative on the fiscal. So I'm not sure why they didn't. This came-- were done. I got my copy late Friday, so I haven't had time to talk to Fiscal. But as I understand it, yeah, there would be a loss to the school districts, which would be a savings to the state, but that's not what we're trying to do.

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**LINEHAN:** No, I, I understand that's not the purpose. But it would be helpful if we knew what-- how-- what kind of money we were talking about here.

**NICOLE BARRETT:** Right. So-- and I have not seen any modeling, but that's something I can work on along with any other questions that come up with Bryce and we'll see what we can do to get that answer.

**LINEHAN:** Thank you.

**NICOLE BARRETT:** Sure.

**WALZ:** Other questions from the committee? Seeing none, thank you, Nicole. Proponents?

**KEVIN LYONS:** Good afternoon again, Chair Walz and Education, Education Committee. My name is Kevin Lyons, K-e-v-i-n L-y-o-n-s, and I'm here today to testify on behalf of the Nebraska Department of Education in support of LB323. LB323 is a bill that addresses three TEEOSA issues caused by the pandemic. This bill fixes an issue on the recalculation of TEEOSA involving the formula student calculation for early childhood, which uses the hours reported for the program. Due to the pandemic, the hours for the 2019-20 year were only reported through March of 2020 at the Department of Education's direction, even through-- even though services were continued virtually for students the remainder of the school year. A calculation is added to annualize the reported hours to correct this issue as the current-- currently, the formula is not recognizing schools with higher than average amounts of early childhood programs and the related costs incurred. This is simply a change to redistribute 2020-2021 aid to the districts acting-- actually incurring the early childhood cost and does not result in any cost to the state. Another calculation issue this bill corrects is the calculation of the transportation allowance, which uses route miles, which were not incurred after schools shut down in March of 2020. This bill adds a calculation to annualize the route miles since most schools continue paying bus drivers after the shutdown at the direction of both the federal government and NDE incurring costs which may not be recognized without this adjustment, since the formula looks at a lesser cost incurred or a calculation that uses route miles. As with early childhood change, this change also works to direct aid to the districts actually incurring the cost



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and will make a minimal change to the overall state cost when TEEOSA is certified. This bill clarifies that the summer school allowance requirements for hours and days, which was originally intended to apply to a person class-- an in-person class, can also be met virtually by providing an equivalent remote learning experience. Last, Department of Ed is working with Senator Walz's office on an amendment to address the student growth correction that, as currently written, may negatively affect several districts that will not meet their anticipated growth due to the pandemic. NDE is suggesting the correction not result in a negative correction if the student growth estimates weren't met for the 2021 year, but allowed for the estimated growth to be compared to the 2021-22 average daily membership to verify school district estimated growth either met expectations or, or didn't with the corresponding correction calculated to them. The fiscal impact to the state will be minimal, since these changes primarily result in a redistribution of aid. As I'm filling in for Bryce, as mentioned earlier today since he couldn't get here due to the storm, I can try and answer your questions. But once again, would encourage you to reach out to Bryce for any questions I cannot help you with.

**WALZ:** Thank you. Do we have any questions from the committee? Senator Linehan.

**LINEHAN:** Thank you. I'm just going to ask, do you understand my question before? It's-- OK. I understand it's not going to cost the state any money because we've already budgeted-- it's already-- the money sitting there budgeted. But do you have any idea what the hit on the schools are if we don't change this?

**KEVIN LYONS:** We have several schools that only could calculate up to 75 percent of their, their certified numbers due to not being there. The early childhood is an example. Most early childhood did not meet the required hours of 450 hours. They were less--

**LINEHAN:** So are we talking, are we talking \$50 million, \$100 million, \$10 million?

**KEVIN LYONS:** I don't have that number for you right now, Senator, but--

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**LINEHAN:** OK, just some round number, if Bryce could provide that would be good.

**KEVIN LYONS:** Bryce is listening, so he'll follow up.

**LINEHAN:** OK. All right. Thank you very much.

**WALZ:** Thank you. Any other questions? Thank you so much.

**KEVIN LYONS:** Thank you.

**WALZ:** Good afternoon.

**JOHN SCHWARTZ:** Chair Walz, how are you today?

**WALZ:** Good.

**JOHN SCHWARTZ:** Members of the committee, happy snowy Monday. This will be a little bit redundant with what you've heard already, but we may offer some, some different perspective if you have questions. My name is John Schwartz. That's J-o-h-n S-c-h-w-a-r-t-z, and I'm the superintendent for Norris School District, just south of Lincoln here. I'm here today as a representative of Schools Taking Action for Nebraska Children's Education, otherwise known as STANCE, and other organizations in the Nebraska Education Collaboration, which include the Nebraska Council of School Administrators, the Greater Nebraska Schools Association, the Nebraska Association of School Boards, the Nebraska State Education-- Nebraska State Education Association, the Nebraska Rural Community Schools Association, the Educational Service Unit Coordinating Council, and Stand For Schools. Participants in the Nebraska Education Collaboration have a shared goal of implementing evidence-based policies to support high-quality education for every child and every public school in Nebraska. And we are submitting this testimony in support of LB323. As you all know, the COVID-19 pandemic has had an unprecedented impact on all aspects of life, including school operations. This was especially true during the spring semester of '19-20 school year when all schools closed for in-person learning on/or before Monday, March 23, 2020 by order of the Nebraska Commissioner of Education. The language of LB323 seeks to correct aspects of the state-aid formula, which skewed disproportionately when schools stopped operating in person by annualizing the data for factors such as transportation miles and early childhood hours as has

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previously been mentioned. Collected prior to closure, it corrects the unintended disproportionate impact within the formula on districts who must travel more miles to transport students to and from school and that survey proportionally greater number of students in early childhood programs. Components of LB323 related to summer school also align statutory language with recommendations given to schools to provide virtual summer school programming. Students involved in summer school during the summer of 2020, whether virtual or in person, meeting the same criteria for days and hours of participation, would qualify equally for the summer school allowance within the formula for the '21-22 school year. We would also ask the committee to consider an amendment to LB323 for school districts using the student growth adjustment. Sounds like Nicole has already offered that up. We support that. This is a common formula component used by equalized school districts who are consistently growing in student enrollment. Norris would be an example of one of those districts. The decision by a school district to utilize this formula factor for '20-21 school year would have been made in the early winter months long before the impact on student enrollment the following year because of the pandemic would have been known or could have been predicted. We would ask that you consider extending the student growth correction by one year so that districts are still accountable to realize the projected growth, but avoid a correction, which in many cases will be offset by a return to more normal conditions the following year. We believe the school finance team with NDE would be able to assist with such language. And again, it sounds like it's already been crafted. In conclusion, STANCE and other organizations represented in the Nebraska Education Collaboration are in support of LB323. We appreciate Senator Walz for proposing the legislation and for the foresight from the department in seeing the need given the circumstances. Thank you.

**WALZ:** Thank you for coming today. Questions from the committee? And I see none. Thank you so much.

**JOHN SCHWARTZ:** Thank you.

**WALZ:** Nicole, do you want to close? Any of-- I don't see any others here, but anybody in-- that wants to testify as an opponent or in the neutral?

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**NICOLE BARRETT:** So Bryce has been texting me some answers, so I'll go ahead and share those on the record. Overall, there was very little impact, which is why there was no fiscal note. Early childhood is in the recalculation, so no state fiscal impact. Transportation is an allowance, so it subtracts from basic funding. The student growth correction would have little cost because we would be penalizing districts in that one. He said, though, with the early childhood it was a \$450,000 shift for one district alone. That was the biggest for the early childhood piece. So that's the district impact. All of the others we don't know quite yet because they apply to the '21-22 certification. So-- and overall the early childhood nets to zero, just because it shifts the funds between equalized districts.

**LINEHAN:** OK, I'll--

**NICOLE BARRETT:** And we can work beyond that, but that's what-- those were the answers that he provided.

**LINEHAN:** OK, that's very good. I'm glad he's listening.

**NICOLE BARRETT:** And that's all I had for close.

**WALZ:** Any other questions? All right, we did have one letter for the record and two in lieu of testifying. That concludes LB323 and we will open on LB288.

**NICOLE BARRETT:** All right, Chairwoman Walz, members of the committee, my name is Nicole Barrett, N-i-c-o-l-e B-a-r-r-e-t-t. I'm the research analyst for this committee here to open today on LB288, which is a procedural bill that many of you are familiar with. It will delay the deadline for certifying state aid, budget authority, and applicable allowance reserve percentages for the Tax Equity and Educational Opportunities Support Act, TEEOSA, from March 1 to June 10 for 2021 only. And this is necessary so that we can wait until we address things like the pandemic bill and if there are any other budgetary changes that need to be made for TEEOSA so that we don't invest the time and effort for certification or the cost associated with that for something we would then have to redo and also give school districts an amount that would not be followed through with. So as is customary when we do make this change, once any possible legislation has gone through, NDE is always very good about getting the certification done

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as promptly as possible after that-- after any pending legislation is done. So while we're moving the date to June 10, which coincides with our scheduled adjournment from session, this-- it would be done sooner if any pending legislation were, were completed, so.

**WALZ:** Thank you. Are there any questions from the committee? I don't see any. I don't even really need to ask for proponents or opponents. All right. And letters, we had none. So that concludes LB288 and we will open on LB287.

**NICOLE BARRETT:** All right. Chairwoman Walz and members of the committee, my name is Nicole Barrett, N-i-c-o-l-e B-a-r-r-e-t-t. I am a research analyst for this committee and I am going to open on LB287, which is a placeholder or shell bill allowing this committee to adjust the base limitation and the local effort rate if needed to adjust the amount to be certified for TEEOSA. And I believe Senator Walz will be meeting and myself will be meeting with Senator Stinner to see if there are any adjustments from that perspective that the Appropriations Committee may ask this committee to do. At this point, there are none anticipated, but we introduced the bill in the event that needs to be done.

**WALZ:** Questions from the committee? Senator Linehan.

**LINEHAN:** Have we done this before?

**NICOLE BARRETT:** Yes.

**LINEHAN:** OK.

**NICOLE BARRETT:** Yes, but usually the first year of a biennium.

**LINEHAN:** OK, so in the Governor's budget, he funded the biennium at 4.2 percent.

**NICOLE BARRETT:** Correct. So with the--

**LINEHAN:** So we're not going to lower than that are we?

**NICOLE BARRETT:** No. And at this point, like I said, it was a placeholder bill. It was introduced-- drafted and introduced before

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the Governor's budget came out so that we could schedule a hearing in the event that we needed to.

**LINEHAN:** OK.

**NICOLE BARRETT:** So this will-- there will only be action taken on it if there's something unforeseen, perhaps after the Forecasting Board meets later this month or something else that comes up. But at this point, it will be a placeholder bill that stays in committee unless and until a need is--

**LINEHAN:** OK. Thank you.

**NICOLE BARRETT:** --designated.

**WALZ:** Any other questions? I see none, and no letters so that concludes LB287, and Nicole is going to open on LB288-- LB286, I'm sorry.

**NICOLE BARRETT:** All right, once again, for the record. Chairwoman Walz and members of the committee, my name is Nicole Barrett, N-i-c-o-l-e B-a-r-r-e-t-t, and I am a research analyst for this committee. This bill, LB286, is simply a placeholder bill in the event that we need, need it for future legislation. So at this point, we will ask that it be held in committee until such time as it's needed.

**WALZ:** Thank you, Nicole. Any questions? I see none. I see no proponents or opponents or anybody in the neutral and no letters for the record. So that concludes LB286. And, Nicole, if you would please open on LB289.

**NICOLE BARRETT:** All right, last one up. My name-- or Chairwoman Walz, members of the committee, my name is Nicole Barrett, N-i-c-o-l-e B-a-r-r-e-t-t, and I'm a research analyst for this committee. Similar to the last bill, this is a placeholder bill to be held in committee unless and until such time as it's needed, it is just specifically in the TEEOSA statutes should we need to make an adjustment there.

**WALZ:** All right, thank you. Any questions? I see none. I see no opponents or opponents or anybody in the neutral, and there are no letters, so that concludes LB289. Thank you, Nicole.

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**MORFELD:** Are we adjourned?

**WALZ:** We're adjourned.

**MORFELD:** We're adjourned?

**WALZ:** We're adjourned.

**MORFELD:** OK, awesome.