

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 14, 2023

MURMAN: My name is Dave Murman. I'm from Glenvil, Nebraska. I represent District 38. I serve as Chair of the committee. The committee will take up the bills in the order posted outside of the hearing room. The list will be updated after each hearing to identify which bill is currently being heard. 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. We do ask that you limit or eliminate handouts. This is important to note: if you are unable to attend a public hearing and would like your position stated for the record, you must submit your position and any comments using the Legislature's online database by 12 p.m. the day prior to the hearing. Letters emailed to a senator or staff member will not be part of the permanent record. You must use the online database in order to become part of the permanent record. To facilitate today's proceeding, I ask that you abide by the following procedures: please turn off cell phones and other electronic devices. The order of testimony is introducer, proponents, opponents, neutral and closing remarks. If, if you will be testifying, please complete the green form 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 11 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, please state and spell your name for the record. Please be concise. It is my request that you limit your testimony to three minutes. If necessary, we will use the light system: green for two minutes; yellow, one minute remaining; red, please wrap up your comments. If your remarks were reflected in previous testimony or if you would like your position to be 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. Please speak directly into the microphone so our transcribers are able to hear your testimony clearly. Now I'd like to introduce the committee staff. To my immediate right is Jack Spray. Also to my right at the end of the table is committee clerk Kennedy Rittscher. The committee members with us today will introduce themselves, beginning at my far right.

LINEHAN: Good afternoon. Lou Ann Linehan, Elkhorn and Waterloo in Douglas County.

ALBRECHT: Hi. Joni Albrecht, District 17.

WALZ: Good afternoon. My name is Lynn Walz, and I represent Legislative District 15 and Valley. Sorry.

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BRIESE: Good afternoon. I'm Tom Briese. I represent District 41.

MURMAN: And I'll ask our pages to stand up and introduce themselves and tell us what they're studying and where they're studying.

TRENT KADAVY: Trent Kadavy, studying political science at the University of Nebraska-Lincoln.

CAITLYN CROFT: Caitlyn Croft, also studying political science at the University of Nebraska-Lincoln.

MURMAN: Please remember that senators may come and go during our hearing, as they may have bills to introduce in other committees. Refrain from your applause or other indications of support or opposition. For our audience, the microphones in the room are not for amp-- amplification but for recording purposes only. And we will start our committee hearing with gubernatorial appointments. Is that right? And our first appointment is Jerald Meyer for the Board of Educational Lands and Funds. Go ahead and come on up, Jerald.

JERALD MEYER: Good afternoon.

MURMAN: Good afternoon. Go ahead. You, you can go ahead, Jerald.

JERALD MEYER: What you want me to say?

MURMAN: Well, tell us all about yourself and--

JERALD MEYER: Well, I've been on the board--

MURMAN: --as much as you want us to know.

JERALD MEYER: Well, that's fine. Well, I've been on the BELF Board for-- since 2017, February 2017. Served the last two years as the BELF Board president. Prior to this, we grew up in southeastern Nebraska. Spent eight years on the-- in the public school system in southeast Nebraska at Pawnee City. And-- so my family is engaged in farming and as well as agricultural endeavors, as well as myself. And, yeah. Live here in Lincoln, Nebraska. And, and that's a little bit about myself.

MURMAN: OK. Thank you very much. Do we have any questions for Jerald?

ALBRECHT: I do.

MURMAN: Yes, Senator Albrecht.

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ALBRECHT: Can I ask you a few questions? Because I'm new to this committee.

JERALD MEYER: Sure.

ALBRECHT: What exactly do you do on Land and Funds Educational Board? And how often do you meet?

JERALD MEYER: We meet, we meet once a month--

ALBRECHT: Once a month.

JERALD MEYER: -- is when we meet. I serve as the president of the board. We manage the, the school-- what they call the school grounds for the state of Nebraska. The, the monies that are coming out of that, out of those school grounds then, in turn, are given back to the schoolchildren in the public school system. We're one of the largest-- not only one of the largest landowners, but we're also one of the largest taxpayers in the state of Nebraska. We contribute almost \$2,700 per schoolchildren in the state of Nebraska this past year, which is a record, so.

ALBRECHT: OK. Thank you.

JERALD MEYER: You're welcome.

MURMAN: Thank you. Any other questions for Jerald? Yes, Senator Linehan.

LINEHAN: Thank you, Senator Murman. \$2,700-- that's what you pay in property taxes?

JERALD MEYER: We pay \$2,700 per child in the public school system. I cannot give you the number on the property tax, but all property taxes are paid, obviously, at a local level, so.

LINEHAN: OK. So that was-- that's your average statewide.

JERALD MEYER: \$2,700 per child were contributed to each public, public school student in the state of Nebraska. That is correct.

LINEHAN: OK. So do you pay to the county or do you pay to a different fund--

JERALD MEYER: We--

LINEHAN: --and that fund is spread out?

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JERALD MEYER: --we pay per, per student no matter where it's at, whether it be in Douglas County, whether it be in Lancaster County, Valley, Grant. It doesn't matter.

LINEHAN: So you don't pay to the county? Who, who do you pay your property taxes?

JERALD MEYER: Property taxes are paid to the county.

LINEHAN: OK.

JERALD MEYER: The amount that, that, that we contribute to each student is, is paid to each district based on their census or the kids that are in the schools.

LINEHAN: OK. All right. Thank you very much. Appreciate it.

JERALD MEYER: You bet.

MURMAN: Any other questions? Senator Briese.

BRIESE: Thank you, Chair Murman. Thanks for your testimony. How are your--

JERALD MEYER: Absolutely.

BRIESE: --how are your rates determined?

JERALD MEYER: As far as the rates--

BRIESE: Yes.

JERALD MEYER: --for rent?

BRIESE: Yes.

JERALD MEYER: It's based on classifications of the lands. So, irrigated is obviously the, the highest rates, and it's based on the comps within those areas. Our grasslands are our cheapest. So just based on what the, the going market is. Most contracts are over-- or, in that seven-year range. Irrigated ground is almost five years, three to five years, so. But it's based on competitive-- the competitive situation in those counties. For instance, Butler County would be a lot higher than what we would see possibly in Buffalo County just because the ground is that much better, so.

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BRIESE: Who det-- who makes that determination what a competitive rate is?

JERALD MEYER: That's a good question. We have a staff of reps within those areas, within those districts, and then our team as well determines what those are. So we have comps coming from our staff and our reps that live within those districts.

BRIESE: Where do they find those comps?

JERALD MEYER: Management companies, local farmers.

BRIESE: OK.

JERALD MEYER: Yeah.

BRIESE: Yeah. It seems like local farmers are remiss to talk about their rental rates, and a lot of landlords are as well. But management companies--

JERALD MEYER: Yeah. A management company is a good way to do it. Remember, local farmers are bidding on our ground on auction to, to, to rent the BELF ground, so they know what the going rate is. So, yeah.

BRIESE: OK. Very good. Thank you.

JERALD MEYER: Good question.

BRIESE: Thank you.

MURMAN: Any other questions? Senator Linehan.

LINEHAN: Thank you, Chairman Murman. I'm just going to ask. I don't expect you to answer, but I want clarification because it's a public record, so.

JERALD MEYER: Sure.

LINEHAN: I know the school lands pay property taxes.

JERALD MEYER: Um-hum.

LINEHAN: But then you also hand out money through apportionment. So the money that's earned by school lands and funds-- because there's funds too, right [RECORDER MALFUNCTION] land and the funds? And then

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there's so much you pay out each school district according to their census, the number of children in their school district.

JERALD MEYER: Right.

LINEHAN: That's called apportionment. That's not \$2,700.

JERALD MEYER: That is the \$2,700. It's actually \$2,600 and change, so.

LINEHAN: So has that increased in the last, the last few years?

JERALD MEYER: Um-hum. Yep. Not a lot. I mean, I can't re-- recall what last year's was, but that's--

LINEHAN: Could you get for the committee what-- how much apportionment per student has increased over the last five years?

JERALD MEYER: I cannot give that number, not accurately.

LINEHAN: No, no. I know. I just-- I meant for the record, meaning you'll send it to the committee after you get to talk to your people.

JERALD MEYER: Yeah. It's public record.

LINEHAN: I didn't expect you to know.

JERALD MEYER: It's public record. You bet.

LINEHAN: So for the last five years with apportionment. Thanks. OK. Thank you very much.

JERALD MEYER: Um-hum.

MURMAN: Any other questions for Jerald? If not, thank you very much.

JERALD MEYER: You bet.

MURMAN: And we will vote on, on your appointment and--

JERALD MEYER: Great.

MURMAN: --see how things go. Appreciate you coming.

JERALD MEYER: Great. Thank you.

MURMAN: The next appointment on the list is Joshua Fields for the Technical Advisory Committee for Statewide Assessment.

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JOSH FIELDS: Good afternoon. My name is Josh Fields. I'm the current superintendent of Seward Public Schools. I have been there for 11 years, 5 years also as a curriculum director there. I also served as a building administrator in Millard Public Schools in west Omaha, and then was in the Kansas City area north of Kansas City in Liberty, Missouri for nine years as a teacher and building principal. So you might be asking, what is the TAC Committee, what we call? And so I'll just give you a quick synopsis of what that is. The role of the Nebraska Technical Advisory Committee, TAC, is to provide advice and support as requested to the Department of Education and State Board of Education on technical matters relating to state assessments and accountability programs by reviewing and combating technical issues identified by NDE and its testing vendors. In fact, the TAC Committee is composed of both national assessment policy and practice experts. Along with Nebraska educators, we're-- Linda Poole, who is the current board member at Millard Public Schools and a teacher in Papillion; and myself, if appointed by the committee. It ensures that technical advice is grounded in sound assessment practices and procedures as well as the larger educational context in which the assessments and accountability systems are operating. By statute, we have to have at least-- a minimum of two meetings per year. At this point, we've actually already had three meetings, but that is typically done every couple months. And then, like, I am asked to then present to NDE-- or, not NDE, but to the State Board of Education where they're having a meeting this-- actually, it's tomorrow, where they ask technical advice or questions that they may have as we go along with different assessment types of things in the state of Nebraska.

MURMAN: OK. Thank you.

JOSH FIELDS: You bet.

MURMAN: Any questions--

ALBRECHT: Yes, please.

MURMAN: --for Mr. Fields? Yes, Senator Albrecht.

ALBRECHT: OK. So there's just two of you that do this?

JOSH FIELDS: There is-- within this committee, there is-- they have to-- they also have three national experts that are on the committee, and so there's a total of five of us. But then there's also-- the director of assessment for NDE helps run that meeting and asks questions. But then there is state board members and-- it's a public

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meeting, so we have many people that attend the meeting from NDE. And then other administrators also have a right to attend that when that comes up.

ALBRECHT: In the last two to three meetings that you've had, what has been on your agenda to talk about?

JOSH FIELDS: The biggest thing is obviously our statewide assessment piece and NSCAS. And so there has been a big discussion right now with the state accountability component and what it's going to be-- look like for the future. And so that has been a, a big-- that's why we've had probably more meetings than we typically have, because there has been lots of discussions about that. And then also what the vendor-- which vendor is going to provide that assessment for the future as that, that contract is coming up here. And so there has been a lot of discussion of-- from vendors that will present to this committee. And then like I said, then what, what are the next steps? And I always remind people that we're, we're not deciding. We're just giving technical advice to the State Board of Education, and they're the ones that ultimately decide those pieces. But the national experts and the local people that are involved are able to really give a good perspective of what's happening nationally, but also what are-- what's happening in the trenches with our teachers and our administrators dealing with the assessments on the individual level.

ALBRECHT: So is it just on assessments mostly?

JOSH FIELDS: It is just on assessment. There is a piece that's also on accountability, the AQuESTT system. And so it is-- assessment and accountability is our role as a TAC Committee, but both of those things are part of that.

ALBRECHT: OK. So you don't get into-- when you say vendors, you just talk about vendors that put these assessments together or are you talking about other vendors, like database vendors, or do you ever get into anything like that?

JOSH FIELDS: The vendors are the assessment companies that are delivering the platform, essentially. And so by state statute, state assessments have to be also done with teachers. And so those items and things are put into place by a committee of the state-- of teachers and those experts that are putting those things together, but then the vendors' other platforms. So currently for right now, we have NWEA. That is our platform for our state assessment that we've used for quite a few years.

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ALBRECHT: What does that stand for?

JOSH FIELDS: I knew you were going to ask that. Northwe-- it's out of Seattle. It's, like, measurements-- I could get it for you. I don't want to misspeak, but we were-- we use it all the time for NWEA, so it's-- but-- and then there's also the DRC that does our alternate assessment for students that are identified with high needs, special needs. And so that's a different vendor that delivers that alternative assessment. So that's what that process looks like. But once again, we're not deciding that. We're just giving technical advice on the validity, the reliability of those assessments, and then this committee asks those questions of those vendors as they're listening.

ALBRECHT: OK. Thank you.

MURMAN: Any other questions? Senator Linehan.

LINEHAN: Thank you, Chairman Murman. So there's five total on the board-- on your-- this board?

JOSH FIELDS: Correct, yes.

LINEHAN: And two are from Nebraska, and two are outside--

JOSH FIELDS: Three, yes.

LINEHAN: Three are outside--

JOSH FIELDS: Yep.

LINEHAN: --national experts. So part of your discussion-- because I'm trying to remember now, but there's a big conversation going on in, like, schools and Department of Ed and the former commissioner about what we should be measuring, right?

JOSH FIELDS: Correct.

LINEHAN: So is the argument do we measure growth or assessments? Can you explain kind of what going back and forth-- what's the discussion?

JOSH FIELDS: Yeah. So right now, we're-- NSCAS Growth is what that assessment is called for our state assessment that it's given in. They're looking with the-- the issue that they're talking about, can it be a through assessment? And so can you give that multiple times through the year? Could a student possibly test out if they tested in the fall and they perform where they should be at and did not have to

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take the spring assessment? Nat-- federally, there's some conversations, is that even possible? And then does the-- the validity of the test-- is there enough test questions to be able to give a good example or to be able to make that predictor of that student would have passed that assessment piece? And so that has been the big question that we've been discussing right now. The state had the, you know, the previous commissioner had worked hard to try to have a through assessment, they call it, or a through-year assessment, where this committee has asked maybe to push pause to see is there validity and reliability and also from the feedback from the educators saying that we, we don't know if this is testing what it should be, Is there enough questions to test what we can make good decisions based on. And so that has been something that has been paused a little bit, but-- and then like I said, even federally, are you allowed to do a through assessment when they say you have to assess at the end of the school year versus can you really assessed-- we make the, the argument of-- the, the example of, if you're going to take an algebra test and you take the post-test before you even learn the content, is that really going to give us an idea of where they're at at the end of the school year? And so there has been some-- lots of discussion back and forth with that through test model. Is that even possible? And that's-- like I said, just recently, NDE has-- the state board has decided to push pause on that. And then we're staying with what we have right now, which is everyone has to take the spring summative assessment in the spring, and then their districts can choose to take that assessment, through assessment if they choose to in the fall and winter, but it's not mandatory like they were going to possibly be looking at.

LINEHAN: So we're not going to measure growth?

JOSH FIELDS: We are going to measure growth because this is a--

LINEHAN: Just once in the spring.

JOSH FIELDS: Just once in the spring. Obviously, there's a lot of districts that are-- the state is providing also for NWEA the normal national tests that have been used with districts for lots and lots of years. The state has--

LINEHAN: What is that-- that's called?

JOSH FIELDS: We call it MAPs a lot of times, but, yes. So, yeah. So that, that is, that is being utilized, and the state is paying for that. And so that is what has been given through districts multiple

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times throughout the year to determine interventions and determine placement for students and a plethora of things.

LINEHAN: So MAPs is basic-- I mean, I had a superintendent tell me once we do in the fall to see where kids are. We do it--

JOSH FIELDS: In the spring. Yeah.

LINEHAN: Christmas, Christmas--

JOSH FIELDS: Winter. Yeah.

LINEHAN: --to see that things are working. So they actually said, if you got-- everybody's got a problem, you have a teacher problem. If you only have a few, you've got a few problems.

JOSH FIELDS: Yeah.

LINEHAN: And then in the spring, you kind of see where the growth [INAUDIBLE].

JOSH FIELDS: Yes. Yep.

LINEHAN: So you're not doing away with that, but it's not every district.

JOSH FIELDS: It's not every-- yeah. So we're not doing--

LINEHAN: But the state pays for it regardless of your district?

JOSH FIELDS: As at this point, yes.

LINEHAN: So why wouldn't every district use it?

JOSH FIELDS: I can't answer that question or speak for all districts, but there's-- in the state of Nebraska, I'm, I'm aware of maybe just two or three that do not.

LINEHAN: OK. Thank you very much for being here.

MURMAN: OK. Any other questions for Josh Fields? OK. I would ask, are there any proponents for, for his appointment? Any opponents for his appointment? OK. Thank you very much.

JOSH FIELDS: Thanks.

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MURMAN: And then at the same time, I should-- I forgot for the previous-- Jerald Meyer. Are there any proponents here? Or any opponents? OK. Thank you very much. Next. Next appointment would be Courtney Wittstruck for the Nebraska Educational Telecommunications Commission.

COURTNEY WITTSTRUCK: Good afternoon, Senator Murman and distinguished members of the Education Committee. My name is Courtney Wittstruck, C-o-u-r-t-n-e-y W-i-t-t-s-t-r-u-c-k. And I, I guess I should start with some background. I haven't done an appointment hearing before. But born and raised here in rural Lancaster County to a family of farmers, some of whom Senator Murman know, knows. And I went to Lincoln Southeast High School. I won't tell you guys how old I am, but there was no Southwest at that time, otherwise that would have been a little bit of a closer drive. And I ended up-- I went to Clemson University in South Carolina. And you'd never, never guess it, but I was a basketball player there, so that's how I ended up all the way out, out on the coast. And I graduated with a degree in German and international business. And I know some of you I've met before, but I worked in manufacturing for 20-- about 20 years before I took my role with the community colleges, mostly in automotive manufacturing. I served in a variety of roles in-- I was production manager, logistics. Lean manufacturing was probably what I'd say my wheelhouse. I was the, the training supervisor for the Robert Bosch Corporation, North American Lean Manufacturing Training Center. And then I was crazy and decided to go back and get my MBA and then my law degrees in the evening while I was working still, and I ended up taking a position with Mercedes-Benz Vans in South Carolina, and I was in-house legal counsel there for a little bit. Before the state of Nebraska called me back-- I'm one of those boomerang, boomerang kids, so I came back and worked for Eaton Corporation in Kearney as production manager in lean manufacturing. And then most recently, before I took my role with the community colleges, I was plant manager for the former Goodyear plant in Lincoln, which is now Continental Tire and Rubber. So the, the world of politics is, is new to me. Last session, as you know, was my first session. So I replaced Greg Adams in, in this role. So, yeah. I was a-- I replaced him in his-- Greg Adams in his appointment position. And then his-- as soon as I was approved by former Governor Ricketts, there was one board meeting that I could attend, and then Greg's term ran out, so I then reapplied. So I was able to attend a single meeting and then reapplied for, for this next term.

MURMAN: OK. Thank you, Courtney. Not sure if, if, if that was a positive, saying I've known your family so long, but thank you.

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COURTNEY WITTSTRUCK: Well, usually I don't claim them. But, you know, sometimes if I'm forced to.

MURMAN: Thanks. Senator Linehan.

LINEHAN: So-- thank you, Chairman Murman. So the community college has a seat on this board--

COURTNEY WITTSTRUCK: Yeah. It's a statutory requirement, but, of course, it doesn't have to be me. But it is a statutory requirement, so that's why I backfilled Greg. It just took a little while for former Governor Ricketts to approve my-- me replacing him.

LINEHAN: OK. Thank you very much for being here.

COURTNEY WITTSTRUCK: Um-hum.

MURMAN: Any other questions for Courtney? OK. Any proponents for Courtney Wittstruck? Or any opponents for Courtney Wittstruck?

COURTNEY WITTSTRUCK: I have a friend in the audience for another, for another bill, so I wanted to make sure that I didn't-- she wasn't my opponent.

MURMAN: OK. Thank you very much for, for being here, Courtney.

COURTNEY WITTSTRUCK: All right. Thank you, folks. Appreciate it.

MURMAN: Next, next one is Tamara Weber for the Coordinating Commission for Postsecondary Education, District 5.

TAMARA WEBER: Hi.

MURMAN: Good afternoon.

TAMARA WEBER: Good afternoon. My name is Tamara Weber. I go by Tammy. I am from Columbus, Nebraska, and this is also my first appointment hearing as well. I got a call last month from Governor Pillen to see if I'd be interested in sitting on the commission, and I, I obliged, for the most part, to serve my state. I've always served, from a personal letter-- level, my community in which I lived. I graduated from the University of Nebraska and got my bachelor's there. And in 2012, received my master's from Wayne State College. And I have three children. And almost all grown up: 21, 18 and 16. And I reside in Columbus, Nebraska, so.

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MURMAN: Thank you. Any questions for Tamara? If not, thank you very much for being here. And-- oh, any, any proponents for Tamara? Any opponents? OK. Thank you. Thank you very much for being here.

TAMARA WEBER: All right. Thank you.

MURMAN: Next on the list is--

_____ : Robert Kobza.

MURMAN: Robert Kobza for the Board of Education Lands and Funds.

ROBERT KOBZA: Good afternoon.

MURMAN: Good afternoon.

ROBERT KOBZA: Robert Kobza. I reside at Bellwood, Nebraska. I've lived in Butler County my whole life. Been a licensed real estate agent for 20 years. And we feed cattle. And a proud grandpa of seven, so.

MURMAN: OK. Thank you. Any questions for Robert? Senator Linehan.

LINEHAN: Are you on the board now?

ROBERT KOBZA: Yes. This would be-- I served one full term and part of another. There, there was an absence, so.

LINEHAN: And you're the only member that's west of [INAUDIBLE]?

ROBERT KOBZA: I would be an eastern, eastern member. There's-- let's see. Doane [PHONETIC] is east of me.

LINEHAN: I'm sorry. Where did you say you were from? I'm sorry.

ROBERT KOBZA: Bellwood.

LINEHAN: OK.

ROBERT KOBZA: Yeah. East central Nebraska. Close to Columbus there, so.

LINEHAN: All right.

MURMAN: OK. Any other questions? Senator Briese.

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BRIESE: Thank you. Thank you for being here. Thanks for your service. The land we're talking about here, bidding is quite competitive, I assume, with a lot of bids on each parcel, typically.

ROBERT KOBZA: Yes. And so we come up with a base round, which Jerry was talking about earlier, and that base round is set for the soil classifications. And there's a one-time bonus bid. All them tracts go to auction, and that one-time bonus bid is paid the day of who gets the top bid at the auction. And, you know, some of these bonuses are-- it can be as high as \$320,000, we had one. And-- for a section irrigated. And so it's the fairest way to sort it out in the end. And who's going to give the most is going to get it, so.

BRIESE: OK. Very, very good. Thank you.

ROBERT KOBZA: You got it.

MURMAN: OK. Any other questions? Senator Linehan.

LINEHAN: Thank you, Chairman Murman. Do you have an idea of the total funds generated both from land rental and from investments?

ROBERT KOBZA: I don't know the investment side. The, the land rental is somewhere in that \$53 million, if I remember right, off the top of my head.

LINEHAN: Who-- does the Nebraska Investment Authority handle your investment?

ROBERT KOBZA: Investment Council.

LINEHAN: Investment Council.

ROBERT KOBZA: Yeah.

LINEHAN: OK.

ROBERT KOBZA: Yep.

MURMAN: Any other questions? I have one. Now, the property taxes on the land, school lands goes to the county in which the land is located, I'm sure.

ROBERT KOBZA: Yes, it does.

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MURMAN: And then the, the rent that-- and the investments are split according to the total-- divided by the total number of students in the state, correct?

ROBERT KOBZA: Right. That's correct.

MURMAN: And then that's how it's distributed to-- statewide.

ROBERT KOBZA: Yeah. We didn't used to pay land taxes until it was right about when I got on the board-- probably five years ago, I think. Something like that. And that just changed then, where we pay-- just like you owned it or I owned it. But we paid full taxes, so.

MURMAN: OK. Yeah. I feel your pain because I'm a farmer.

ROBERT KOBZA: Yeah. I'm feeling it too, you know?

MURMAN: Any, any other questions? Senator Walz.

WALZ: All right. Thank you, Chair Murman. I was just wondering if you could give us a little bit of history on Lands and Funds, how it was created, when it was created, why it was created.

ROBERT KOBZA: It was, it was created back in-- on the original land grant. Every-- Section 36 and 16 went to-- for the schools, to support the schools in the county. And then funds that were received for rent were supposed to take care of them schools. Well, things changed a lot since then, in cost. But some of them sections had gotten sold off in the early 1900s. That's-- it has been a long time ago. There are two counties in Nebraska that we don't have any. And one is Sioux and Nance because they were declared sovereign nations back in the day. And so we don't have any lands that we manage in them, in them counties, so.

WALZ: All right. Thank you.

ROBERT KOBZA: You bet.

MURMAN: Any other questions? OK. Any proponent-- oh. Senator Linehan.

LINEHAN: You said you, you just now-- most recent-- I can't-- I'm sorry. You said it has been recent that you paid property taxes.

ROBERT KOBZA: Yes.

LINEHAN: And now you're at full. So was it a stepped-in program?

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ROBERT KOBZA: No. It was full right away.

LINEHAN: OK.

ROBERT KOBZA: And the board actually voted to pay real estate taxes to keep-- you know, we use roads and then expect roads to our properties. And the, and the schools needed us in some of the western counties in order to be viable. And we just thought that it was in all fairness to do that, so.

LINEHAN: Do you know how much your total property tax bill is?

ROBERT KOBZA: It's a bunch. That's all I know. I don't know the exact numbers.

LINEHAN: Can I ask you for the record to get it for the committee?

ROBERT KOBZA: Yeah. We can get that.

LINEHAN: All right. Thank you much.

ROBERT KOBZA: Yeah. Yep.

MURMAN: Any other questions for Robert Kobza? Any proponents for Robert Krobza-- Kobza? Any opponents? OK. Thank you very much for being here.

ROBERT KOBZA: All right. Thank you for your time.

MURMAN: OK. Next, we have Carter Peterson for the Board of Trustees of the Nebraska State College System. Good afternoon.

CARTER PETERSON: Good afternoon, Chairman Murman and members of the Education Committee. My name is Carter, nicknamed Cap, Peterson, C-a-r-t-e-r C-a-p, Peterson, P-e-t-e-r-s-o-n. And I'm honored to participate in this confirmation today to reappoint me to the Board of Trustees of the Nebraska State College. And this is my fourth time of doing this, so it has been-- it is always a pleasure to be doing this. In my previous time before on Trustees, I was on the Wayne School Board for 12 years, K-12. And I was on the-- with Senator Albrecht's husband on the Nebraska Association of School Boards.

ALBRECHT: You might not want to tell them that.

CARTER PETERSON: Yeah, yeah, yeah, yeah.

ALBRECHT: Just kidding. It's fine.

CARTER PETERSON: [INAUDIBLE] right one. Since joining the Board of Trustees in 2005, I have served as chair, vice chair, as a member of the-- or chair of the Student Affairs Marketing and Enrollment Committee and as a member of the Fiscal Facilities and Audit Committees. I'm currently a member of the Fiscal Facilities Audit Committee, where we truly focus on the affordability pillar of the state colleges. Over 34 percent of our students who attend Chadron, Peru, and Wayne State are Pell eligible. The Board of Trustees are committed to providing the best possible opportunities and service of our students to complete their degrees with as little of debt as possible. My extensive business and insurance experience has proven to be an asset to the state colleges and the Finance and Facilities and Audit Committees. There-- this has been particularly important as we continue to explore creative solutions to the response to an extremely volatile insurance market and to establish a risk-loss trust to ensure the long-term financial health and stability of the state colleges. Consistent with the colleges' commitment to affordability and accessibility, I've been exploring mechanisms to, to provide the financial support and services necessary to provide postsecondary opportunities to youth in the foster system. Now, what that means and how I came about that-- my youngest brother is an, an attorney in Florida. In Florida, he does over-- between 100 and 200 adoptions a year. And the system that they have in Florida, if you take a child out of the foster system and bring them into a family, the state of Florida, if you go to a, a state college, they don't have a-- a university in the state of Florida-- that tuition is paid for in its entirety. So it makes it nicer and easier for the people that are adopting-- and I have adopted children, so I can say this: that when you come on back, you don't have that obligation of an institu-- but if they want to go to some other college, that's fine. It's just-- [INAUDIBLE]. So we're looking-- I know the federal government does some of this and state does some of this. Some are on a stipend. We're looking at it-- if we can do some of the things kind of like what Florida was doing as far as-- and that's an obligation that the state would have, but you wouldn't do it for 18 years or 16 or 14, depending. And they would-- and they go to a state college with tuition. So that is what I'm talking about on that particular thing. It has been very successful in Florida. But one of my favorite parts of being a trustee for the state colleges is hearing from the student trustees. For the past five years, I served on the, the Student Affairs and Enrollment Committee, which has given me the opportunity to engage with our student trustees with critical issues affecting students at each college. The entire board has found them to serve as a valuable asset to, to the board, as, as they provide feedback and

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have-- on our policies enacted by the Board of Trustees, and then-- and their impact on the state colleges. The student trustees also offer guidance and initiatives that the board can support to improve the state college experience. Several years ago, the Board of Trustees also approved the 2025 strategic plan that reflects the state colleges' commitment to its longstanding mission with leveraging opportunities and, and access to the workforce challenges facing Nebraska and how the state colleges can be part of that particular solution. The plans focus on students' success and, and completion, institutional academic quality, access and affordability and workforce and economic impact. These goals are vital to the success of the state colleges and the state and each member, each member-- number of identified outcomes align to how the colleges forward to each area. As Wayne State-- as a Wayne State College graduate and a long-time Wayne resident, I understand the challenges of the rural areas served by the state colleges and realize how, how vital each college is to these regions, not for their students but for the people that work in the colleges and the committee themselves. If the state colleges are, are thriving in Chadron, Peru and Wayne, opportunities for students and, and their rural communities are endless. As a member of the Board of Trustees, I plan to continue my work to keep four-year degrees affordable and accessible for all Nebraskans at the state colleges. Thank you for your time. And I'm, I'm happy to answer any questions if you may have any questions for me.

MURMAN: Thank you very much. Any questions for Carter Peterson? Yes, Senator Albrecht.

ALBRECHT: Thank you, Chair Murman. Thank you for your service. Four terms you've already served?

CARTER PETERSON: Yes.

ALBRECHT: Are you the longest-standing person to volunteer for this position in the state?

CARTER PETERSON: I was first elect-- nominated and appointed by Johanns, Senator-- Governor Johanns and then Heineman and then Ricketts and recently by--

ALBRECHT: Senator-- or, Governor Pillen.

CARTER PETERSON: Sen-- Governor Pillen, so-- and it's-- you, you, you do this because you love education, love people and love kids. And that's the only reason I'm, I'm doing this particular job. And I'm

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happy to serve for the state of Nebraska and, and the Legislature and our system.

ALBRECHT: To you, to you and everybody that's here today, thanks for stepping up, because it's hard to fill these spots.

CARTER PETERSON: Thank you.

ALBRECHT: Appreciate your time.

MURMAN: Any other questions for Cap Peterson? Yes, Senator Conrad.

CONRAD: Thank you so much, Chair. Thank you so much for being here. And I just wanted to ask one follow-up question in regards to not only your longstanding history in service in this role, but kind of some of the challenges we face in the present term when it comes to college affordability. And I'm watching very closely to see what our Appropriations Committee puts forward in regards to state support for the university, state colleges and community colleges because I'm concerned that we're getting to a point where we're making access to a quality education unaffordable for a lot of working families. And we know that higher ed is, is really the key to a lot of those jobs that we need to fill in Nebraska and, and keeping our talented young people here. Do you want to weigh in on kind of where you see things in terms of state support to help keep our state colleges strong and vibrant?

CARTER PETERSON: Well, Senators, most of that information that we are asking, as far as you get down to the computer [INAUDIBLE]-- as you notice, I don't have a computer up here.

CONRAD: Yeah.

CARTER PETERSON: I'm too old for it. The chancellor is here--

CONRAD: OK. Very good.

CARTER PETERSON: --and he'll have all of that information to follow up and can tell it. But what we tried to do, as I said for the student-- I've got four kids that graduated in college in Nebraska too, so I, I-- to make it as affordable as possible and come out with the least debt.

CONRAD: Yes. Yes.

CARTER PETERSON: And most of our three institutions, the room and board and tuition and fees before anything is \$20,000 a year, and it's

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affordable. And, and, and the scholarships and people that are stepping up in these small towns, providing scholarships for these kids, all three of the institutions, we're trying to make it affordable. And we can't do it all on the taxpayer.

CONRAD: I agree.

CARTER PETERSON: We have to be efficient in what we do, and I think we're doing an excellent job with them. And that's part of our board, as a trustee for all of us, just like what you guys are trying to do.

CONRAD: Well, I appreciate it. It is a collaborative approach between the individual families and students and people in your work and people on the state level making sure we have the financing in place to achieve our, our shared values and goals in that regard. But I, I do know that every dollar that the state doesn't send to support higher education, it puts more pressure on tuition and fees.

CARTER PETERSON: And, and as everybody has and everybody in this room has their expenses have gone, gone different ways. Being in the insurance business, I know what some of those insurance [INAUDIBLE] are, are, are doing.

CONRAD: Sure.

CARTER PETERSON: And all across the country, this is going on. And so we have to be very-- we-- as the Board of Trustees, we've got a fiduciary responsibility for the money, money that is assigned to us.

CONRAD: Yes.

CARTER PETERSON: And that money that's assigned to us, we take that pretty seriously.

CONRAD: Yeah.

CARTER PETERSON: And, and we expect the president and, and, and our, our system office to help us with that particular situation, and they do an excellent job--

CONRAD: I agree.

CARTER PETERSON: --on there.

CONRAD: Thank you.

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CARTER PETERSON: And without that, I wouldn't really want to be on this board for a number of years because then you wouldn't be getting done what you want to get done.

CONRAD: Yes. Your expertise and passion is clear. And I really appreciate your taking time to visit about those, those questions. Thank you.

MURMAN: You've mentioned you-- your brother has experience with foster children in Florida and also that you're a foster parent.

CARTER PETERSON: Yes.

MURMAN: And thank you very much for doing that.

CARTER PETERSON: Yep.

MURMAN: Is there things in Nebraska or-- do you have ideas on things in Nebraska that we could do to improve education for fostered children?

CARTER PETERSON: And, and this, this system that we're doing-- and we-- the system office, we're working on that. I have the information from-- that my brother uses in the state of Florida [INAUDIBLE] through their legislative actions down there so that we can help things. So that takes some time. We, we went through the pandemic in the last couple of years, so that-- some of this stuff kind of went on the-- that I'm looking at. As, as a parent, if I can adopt a child-- and think if you take a kid out of a foster sys-- situation, you put them in, in, in a loving family, whatever that family description-- description is, and that parent does not have to worry about a college education but they want to have a college education. And we can do that as a-- as a Leg-- as the state of Nebraska and say we don't have to pay tuition. In Florida, they-- and, of course, they, they even give you a pass to Disneyland for, for the-- if you're going to have children, then come to-- we can't quite do that and get them down there. But, but that is some of the bigger-- there's a lot of things that goes involved in it, but it takes, it takes them out of the foster system, which is-- and there's nothing wrong with adopting children out of the-- if they're not in the foster system. But this is what we're looking at doing because there's a lot of those that don't get adopted because of this. And I'm trying to say, from my standpoint, we should help them.

MURMAN: Yup. Thank you. I think that's a great idea. I'm trying to think of something in Nebraska that would compared to a pass to Disney

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World, but, but, but funding education-- their education I think would--

CARTER PETERSON: State fair.

MURMAN: --be a great idea. Yeah. We do have a great state fair.

CARTER PETERSON: It's the state of Nebraska, so the state fair would be a great one.

MURMAN: Yeah, that's true. Any other questions?

CARTER PETERSON: Well, thank you very much.

MURMAN: OK. Any, any-- yeah, thank you. Any proponents for Cap Peterson? Any opponents? OK. Thank you very much. I was going to--

PAUL TURMAN: There you go. Good afternoon, Chairman Murman, members of the Education Committee. Paul Turman. That's spelled P-a-u-l T-u-r-m-a-n. I'm the chancellor of the Nebraska State College System. Certainly want to speak in, in support of Cap Peterson's confirmation and nomination for continuing to serve on the Board of Trustees. I'll be brief and I'll just highlight two things about Cap that I think are critically important. I think you certainly get the, the notion that he is extremely vested in serving the students that are at the state colleges, the rural areas of the state. His work on the Student Affairs and Marketing Committee over the last few years, we've taken on this approach of trying to engage our student trustees, as he briefly referenced, to identify sets of policies and procedures that the board should be taking a closer look at and working towards resolving those to have a very different kind of student-focused lens. I've now taken him off that committee and put him on the, the Finance and the Facilities and Audit Committee primarily because, last year, Congressman Flood was successful in helping us get an insurance trust legislation in place that allows us to help kind of buy down those insurance costs that are dramatically increasing for the state colleges over the last five years. And so with the support of Governor Pillen and putting dollars into that account, we now need to do the hard work of determining how best to set that up. I'd also note that, as a new person coming to Nebraska four, four years ago, having someone like Cap with his historical knowledge of the system for 13 years before I arrived brings, I think, a very important for perspective so that I don't, I don't lose sight of where we've been, where we're trying to go as a system. And I think if you spend time with Cap, you would certainly know that he bleeds black and gold. He

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has graduated from Wayne. He lives in Wayne. But when it comes to making decisions about the system, he's never one of those board members that advocates for his institution. He advocates for the system, and he knows that Wayne prospers and becomes better as long as Peru and Chadron are also having the capacity to do that. So with that, I'd certainly ask that you would approve his confirmation, move it on to the Senate floor for the entire legislative body to approve, and hopefully doing that soon so I've got some additional board members to be a part of our next board meeting as well. But I'd be happy to answer any questions you might have.

MURMAN: Any questions for Paul Turman? Thank you very much. Any other proponents for Cap Peterson? Any opponents for Cap Peterson? OK. Thank you very much. The next appointee is Adolfo Danny Ranaga [PHONETIC] for the Board of Trustees of the Nebraska State College System. Good afternoon.

DANNY REYNAGA: Thank you, Senator Murman. And thank you, members of the Education Committee. My name is Adolfo Reynaga, A-d-o-l-f-o R-e-y-n-a-g-a. My first name is Adolfo, but I do go by Danny, D-a-n-n-y. I am honored and humbled to have this opportunity to participate in the confirmation hearing today for appointment to the Board of Trustees for Nebraska State Colleges. I do want to take just a second to thank my lovely wife for coming with me from all the way from Scottsbluff, Nebraska. She's in the back row in the red blouse. She hates when I point her out, so I'm not going to do that today. Senators, I, I do think it would be a bit of an injustice if I didn't start out today by explaining just a little bit about why exactly I am so grateful to have this opportunity today. My nomination may seem altogether mundane, but for myself and my family, this represents another milestone that helps us to remember that the American dream is alive and well. My parents are from Mexico. They came here with nothing more than a middle school education. And despite their lack of education, they, like many immigrant parents in this country, continually stressed the importance of education as a means of overcoming the adversities of poverty. And in their minds, education was our ticket out. So my parents left the only lives they had ever known in Mexico, their families, their comforts, and they traded it all for a chance, just a shot that their kids could have a better life. And through a tremendous amount of hard work and what could only be described as God's incredible grace, they carved out a life for us in western Nebraska. And if you fast forward just a few decades, now all four of their children are college graduates, and one of them happens to be nominated for the Board of Trustees of the State College System. So I think that's pretty special. Now, besides what this

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nomination means for me personally, I think the nomination also represents a, a wonderful example of how the state and the institutions like the State College System are paving the way for homegrown talent to be a part of Nebraska's future. I will note for the record today that I'm using the word "talent" rather loosely here. I don't consider myself to be a particularly talented individual. But nonetheless, I-- my hope is that kids all across the state will get to see my story and, in turn, envision themselves in positions of influence. And I want them to see that no matter where their parents are from, what language they speak at home, no matter what government assistance they may be on, and no matter how rural their hometown may be, that-- my hope is that they can see that they have a future in Nebraska and a place to share their talents. Senators, education has often been called the great equalizer, and I truly believe that. And I believe that the Nebraska State College System has had and will continue to have a big role in providing an equitable opportunity to get a quality education at a very affordable price. Maintaining affordable tuition and assuring financial access to the state colleges are some of the system's core values, and those values have served the state and its students very well, I think. Aside from the affordability, the State College System is also focused on ensuring a very high level of institutional academic quality. In this last fall, I had the opportunity to attend the ribbon cutting ceremony for the new Math and Science Center of Innovation Learning building, the COIL building at Chadron State College, and I was just blown away by how impressive those facilities were. My hat goes off to the Governor, the Legislature, the, the chancellor and President Ryan, the Board of Trustees, and everybody who made that investment possible. I think state-of-the-art facilities like that in rural Nebraska really is a true testament to the State College System and their commitment to having-- being an academic leader not only in the state but in the entire region. Again, Senators, I'm, I'm excited for the opportunity to join this board that has proven itself time and time again to be a champion for educational opportunity. And I'm excited to help provide guidance to the State College System, who has really positioned itself as a true leader, again, not only in the state but in the region and in the world of higher education. So with that, Senators, thank you. And I am happy to answer any questions if you have any for me.

MURMAN: Any questions for Danny Reynega [PHONETIC]? Yes, Senator Conrad.

CONRAD: Thank you so much, Chair. Thank you so much for being here. It's good to see you. I had a chance just to do a little bit of review on some of the nominees before the committee today, and I don't think

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we've had a chance to meet before, but I was familiar with your good work in the community as a legal aid attorney and working, you know, in a, a variety of different capacities. I think you were commissioner as well on the Latino Affairs Commission--

DANNY REYNAGA: The Latino Americans Commission.

CONRAD: --and then have been an inspirational commencement speaker at your state colleges that you hailed from. But I was just wondering if you could talk perhaps about some of those experiences and how they might inform your work on-- in this position.

DANNY REYNAGA: Yeah. Senator, like I mentioned earlier in my testimony, one of the reasons that I'm, I'm doing this now is because I, I, I don't probably look like your typical Board of Trustee member. And, you know, for, for, for me, Nebraska's given me a lot, a lot of opportunity, and so I've taken the opportunity to make sure that-- I want, want to give, give back. And like I mentioned-- but, you know, my passion lies in making sure that students that were just like me can understand that they, they also have the opportunities and they're, they're there, they're there for them, and, and making sure that those continue for, for all students.

CONRAD: Very good. Thank you so much. Thank you.

MURMAN: Well, I just want to give kudos to you and your family for, you know, being immigrants and coming in to our state. My family actually is very similar, I think, in a lot of ways. I mean, my grandparents were-- spoke German when they came to our state. And my, my father and, and his siblings learned English, you know, when they went to school. I assume you had the same type of experience.

DANNY REYNAGA: Yeah. Very similar experience.

MURMAN: But you do speak English very well now, I must say.

DANNY REYNAGA: Thank you, Senator. Thank you.

MURMAN: But, but did you grow up speaking Spanish then--

DANNY REYNAGA: That was the, that was the first language I spoke [INAUDIBLE].

MURMAN: You'd never guess that. But, you know, you speak English so well. But I, I appreciate that-- the value you put in education. I agree with you. It's a great equalizer. And that education gives us

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all the opportunity to advance ourselves, or at least that's the goal of education. So, thank you very much. Any other questions?

CONRAD: Thank you.

MURMAN: OK. Any proponents for Adolfo Ranga [PHONETIC]? I know I'm not saying that right.

_____ : Danny.

_____ : Adolfo.

MURMAN: Close. Danny. Yeah.

PAUL TURMAN: Well, thank you again, Chair Murman and members of the Education Committee. Paul Turman, P-a-u-l T-u-r-m-a-n, chancellor of the Nebraska State College System. Certainly want you to support the confirmation of Danny Reynaga. Very-- he would not like to use the term "talented," but I would certainly use that term to describe him. Two months into me assuming the chancellor position, I was able to travel to Chadron and see him give a keynote to our student scholarship recipients at that institution, talking about his pathway, the impact that higher education has had, how he worked through school to become a student trustee and then eventually transition on to UNL. You had the opportunity to listen to his commencement address, which you can find easily online. A very outstanding presentation that really does highlight kind of the, the impact of perspective on how to continue to set yourself and, and try to strive to meet some specific goals. I'll give just one quick quote that he had in there that talks really along these lines of perseverance, that we often overlook the fact that legacies are often built on longevity. The things that require a lot of work are typically worth it. And I think that was a very telling message for the students that we certainly serve at Chadron, but across all the institutions. Right now, he is also serving as an alumni representative on our Presidential Search Committee as President Ryan concludes his 10th year of service in, in that role, as well as having served there for 16 years prior to his retirement. In conclusion, I think he brings a lot of really good perspective, but also a very good expertise as his legal background. The complications associated with higher education and a lot of the regulations that we are embroiled in oftentimes requires individuals who can bring that type of perspective to our discussions and our decision making as well. So with that, I'd ask that you would advance his nomination to the floor for consideration and approval by the committee. And I'm happy to answer any questions you might have.

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MURMAN: OK. Any questions for Mr. Turman? If not, thank you very much.

PAUL TURMAN: Thank you.

MURMAN: Any other proponents for Danny Ranaga [PHONETIC]? Any opponents? OK. Thank you very much. Next, we will move in to the hearing for LB627 if Senator Bostar is available.

NATHAN JANULEWICZ: Timing didn't quite work out there, so you will have me instead here. Mr. Chairman, members of the Education Committee. My name is Nathan Janulewicz. For the record, that's N-a-t-h-a-n J-a-n-u-l-e-w-i-c-z. I'm the legislative aide for Senator Eliot Bostar. I'm here today to present LB627, which adopts the Free Student Meals Act. LB627 requires the Department of Education, or NDE, to create and administer a grant program that reimburses public and nonprofit private schools for the difference between the cost of school breakfast and lunches and the federal reimbursement for free or reduced price meals, essentially allowing schools that choose to apply for the program to provide breakfast and lunches to, to students at no cost at all. To qualify for the Free Student Meals Act, such schools must reimburse maxim-- sorry. Let me back up. To qualify for the Free Student Meals Act, each school must maximize federal reimbursement by participating in the School Breakfast Program or National School Lunch Program. NDE will make disbursements annually to each participating school. For each school that have adopted the Community Eligibility Provision, NDE will reimburse the difference between the federal reimbursement rate or a free or reduced price breakfast or lunch and the federal reimbursement rate for a fully paid breakfast or lunch. For each qualified school that has not adopted the Community Eligibility Provision, the NDE will reimburse \$0.30 for each breakfast served to eligible students, \$0.40 per-- each lunch served for a student for eligible-- oh, sorry-- \$0.40 for each lunch served to an eligible student for a reduced price lunch, the difference between the federal reimbursement rate for a free breakfast and a federal reimbursement rate for a fully paid breakfast and the difference between the federal reimbursement rate for a free lunch and the federal reimbursement rate for a fully paid lunch for a student-- for each fully paid lunch served. LB627 is not a new concept. During the pandemic, the federal government sought to reduce the burden on families by providing breakfast and lunch free of charge for all students regardless of income, reimbursing the school for the full amount. That program expired at the end of September. California and Maine has successfully made free meals permanent starting this school year, and there is legislation similar being considered across the country. Balanced nutrition throughout the day contributes to student

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success in and out of the classroom. Studies have demonstrated that school meal programs play an important role in supporting obesity prevention, overall student health and academic achievement by improving child's-- children's diets and combating hunger. For example, the Economic Research Center conducted a study of USDA school nutrition programs and found that students in states with a mandated, with a mandated-- to provide school breakfasts had significantly higher standardized scores in math. The study also found that students receiving free or reduced price lunch were found to consume fewer empty calories and more fiber, milk, fruits and vegetables compared to income eligible and nonparticipants. According to the Food Bank of Lincoln, 1 in 7 children in southeast Nebraska experience food insecurity. That means at least 5 in a single classroom with 35 kids do not have stable access to food. In the 2019-2020 school year, 770 schools or sites participated in breakfast, and 932 schools or sites participated in school lunch. 45.2 percent of students in Nebraska were eligible for free or reduced price school meals according to the Annie E. Casey Foundation Schools Count-- or Kids Count report. In closing, LB627 would provide Nebraska students with stable access to healthy meals and ease the financial burden on families across the state. Thank you for your time.

MURMAN: Yes, thank you. Any questions at this time? Senator Linehan.

LINEHAN: Oh, yeah. We don't ask--

NATHAN JANULEWICZ: You could ask a testifier behind me and I could get it to the senator.

MURMAN: OK. Any proponents for LB627?

ANDREW ASHELFORD: Good afternoon, distinguished members of the Educational Committee. My name is Andrew Ashelford, A-n-d-r-e-w; Ashelford, A-s-h-e-l-f-o-r-d. I am the nutrition services director for Lincoln Public Schools. I'm here to speak as a proponent for LB627 and to also add the Nebraska State Education Association to my testimony. I believe that most important point of the bill is that it directs the benefits directly to the student and the families attending school. By ensuring that all students have access to free breakfast and lunches, it ensures that poor nutrition will not impact students' ability to access educational experiences of the day. The researchers have looked closely at the impact of a student's diet and nutrition on ama-- academic and behavioral outcomes. Good nutrition helps students show up at school prepared to learn. Because improvements in nutrition make students healthier, students are likely to have fewer absences and

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attend class more frequently. Students also show that mal-- sorry. Studies also show that malnutrition leads to behavior problems. School meals provide high-quality, balanced diets that regularly-- regularly include produce, pro-- protein and dairy products from local producers. Researchers generally find that a higher quality diet is associated with better performance on exams. Other studies find that improving the quality of students' diet leads to students being on task more often, increases math scores, possibly increases reading scores and increases attendance. Additionally, school lunches are one of the few experience-- expenses for families that they face daily. There are times when families are experiencing financial issues and they cannot pay for lunch on certain days. Students are always provided a hot school lunch, even if they cannot pay on-- pay for it on a particular day. This bill would eliminate the risk that families would fall behind in their lunch payments to school and build up a negative balance that puts more pressure on families. This bill would eliminate the daily and long-term financial pressures on families. Lincoln currently has eight schools that are participating in the Community Eligibility Program. LB627's requirement that all schools reaching 62.5 free and reduced percent participate in the Community Eligible Program is fair and reasonable requirement to maximize federal support prior to receiving reimbursement from state that would cover the additional costs for providing meals to these students who do not qualify for free and reduced lunches and do not attend the Community Eligible Per-- Program schools. For these reasons, we thank Senator Bostar for bringing this bill, and we support LB627 and urge you to vote it out of committee for consideration by the full unicameral. Thank you for your time. And I would be happy to answer any questions.

MURMAN: Thank you. Any questions? Senator Conrad.

CONRAD: Thank you so much, Chair. Just wanted to say thank you while we had the opportunity while you were here testifying today. Your good work is a big part of my family's daily life, and we're constantly checking out the LPS menu to plan our day. And I've had the opportunity to go to schools in my district and with my kids and eat lunch together or things like that. And, and I think everybody works really hard to make healthy choices available to our kids in Lincoln that the kids also enjoy and that provides a good value for families. So I just wanted to say thank you and let you know that work is really appreciated.

ANDREW ASHELFORD: Thank you very much.

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MURMAN: Any-- Senator Linehan.

LINEHAN: Thank you, Chairman Murman. You said eight schools participate in Lincoln Public Schools with CEP Program, but don't you have more than eight that qualify?

ANDREW ASHELFORD: So at the 62.5 percent indicator, that's the one where we're maximizing federal dollars to be on CEP. We have 62-- or, we have eight of those schools that are at 62.5 percent or higher. So that's why those schools are on the CEP.

LINEHAN: You have to be at 62.5 to qualify for a CEP? I thought it was just 50.

ANDREW ASHELFORD: It is-- it's lower than 60.5, but to maximize the federal reimbursement so we don't have to use nonfederal funds to pay in to make up for the difference-- that's why we have the eight.

LINEHAN: OK. Do you know what the-- for-- is there a different cost if a student-- a federal reimbursement for a free breakfast is what-- what's it for a free lunch? What's it for a reduced breakfast, a reduced lunch? And does the federal government provide any for nonreduced lunch?

ANDREW ASHELFORD: So there is a federal reimbursement for each level, and that changes every year. I do not have those numbers off the top of my head right now.

LINEHAN: Could you get that for the committee?

ANDREW ASHELFORD: Yes, ma'am.

LINEHAN: Thank you.

ANDREW ASHELFORD: Yes, Senator?

MURMAN: Any other questions?

CONRAD: Thanks.

MURMAN: Thank you for testifying.

ANDREW ASHELFORD: Awesome. Thank you.

MURMAN: Any other proponents for LB627?

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EDITH ZUMWALT: My name is Edith Zumwalt. Edith is E-d-i-t-h. Zumwalt is Z-u-m-w-a-l-t. And for 31 years, I was director of nutrition services for Lincoln Public Schools. And I'm here today to ask you to support the Free Student Meals Act, LB627. If we believe all students deserve the best education, we need to provide them all free student meals. School meals teaches students to eat fruits, vegetables and whole grain products that promote better health. School meals expose students to foods they should be eating instead of the junk food that is in their sack lunches. I saw my ten-year students from low-income schools eating their fruits and vegetables because they ate school meals, but affluent students not eating fruits and vegetables. Students eating school meals eat healthier food and learn healthier eating habits. Students' lunch time is very short, considering part of the time is used to walk to and from the cafeteria. Providing free meals for all students speeds up the line and thus students have more time to eat. Providing free meals to all students takes away the stigma of eating school food. School food is prepared by staff that really care about students and want to provide students the best meals they can. No student should be shamed because they don't have money in their account to pay for their meal. Cafeteria staff are very careful not to draw attention to this, but still students know who has no money to pay. When students are not able to pay, they accumulate a negative balance. Negative balances can take a toll on large districts like Lincoln Public Schools. It is common to have over \$50,000 being owed on student accounts. Since school meal programs are self-supporting, it hurts the School Meals Program to not have this revenue to pay the bills for food and labor. Parents also feel the pressure of owing, owing for school meals and not being able to provide for their children. Providing all children with a free meal helps reduce childhood hunger and food insecurity. Some students will not eat school meals because they are embarrassed they get free meals or owe for their meals. We have many families that are working and struggling to cover expenses that they don't qualify for free meals by USDA standards. We need to help families by providing free meals in school. We all know students that eat do better in school. The more students that eat also help the School Meals Program reduce food costs, thus have more money to provide higher quality food to the students. I strongly believe if we value education, all students need to receive free school meals. I ask you to support the Free Student Meals Act, LB627. Thank you.

MURMAN: Thank you. Any questions? [INAUDIBLE]. Yes.

WALZ: Thank you, Chair Murman. Thank you for coming. Can you tell me again what your position was at the school?

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EDITH ZUMWALT: I was director until I retired, and then Andrew took over for me.

WALZ: Director of nutrition services.

EDITH ZUMWALT: --services for Lincoln Public Schools. I worked 31 years for the district.

WALZ: Well, I just wanted to say, if there's someone who knows what, what they're talking about when it comes to students and, and food and food insecurities, it would be you because you had the perfect view on the inside. So I appreciate your testimony.

EDITH ZUMWALT: Thank you.

MURMAN: Any other questions? Senator Conrad.

CONRAD: Yeah. Thank you, Chair. I, I just wanted to echo really a, a chorus of gratitude to you for your public service and to our community. You're a very well-known figure in our community. And I know you've worked tirelessly to help kids succeed and help families succeed. And so I just wanted to say thank you for that and for, for being here today.

EDITH ZUMWALT: Thank you. Appreciate it.

MURMAN: I have a question. You mentioned school-- kids that bring lunches, so not-- so there's a lot of students that don't participate in the lunch program?

EDITH ZUMWALT: Well, when you get into more high-income schools, a lot of them will bring their own lunch because the parents will pack them what they want. And a lot of times, I see parents have good intentions and putting fruits and vegetables in their lunches, but they throw them in the trash. And we see that the students that are in the low-income schools, they really know how to eat their fruits and vegetables because they've been exposed to it with the school meals. They've also had the opportunity to have the Fresh Fruit and Vegetable Program. And so it always warmed my heart to go to those lower income schools and see those students select all their fruits and vegetables and sit down and eat them versus going to the more affluent areas and they would just eat some of their entree and dump it and go because they knew after school their parents would pick them up and take them to whatever restaurant, fast food restaurant they want to go to. And, you know, there's that exception to that. Of course there are healthy lunches packed by parents, and I realize that. But I think parents

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would be surprised how much of the meals that parents pack do get dumped. Just because it's there, the kids don't eat it. But I think school meals, when they learn about the good food in there and have that available to them, it does help them develop good eating habits for life, and that's what we want. And I think sometimes these affluent kids, they need that too in their lives. They need to see what healthy food is. I mean, the one thing that the School Meals Program does is it provides whole grains to kids. And we need kids getting their fiber in their diets, where a lot of times, you know, they're making sandwiches. Some of them are making it with whole grains, but a lot are not. And getting the fruits and vegetables and drinking their milk. And I think if we can expose it through school, it teaches good lifetime eating habits.

MURMAN: Appreciate you for mentioning milk. Any other questions?
Senator Briese.

EDITH ZUMWALT: I'm a believer. More kids need to drink milk.

BRIESE: Thank you, Chairman Murman. Thanks for your testimony here today. Do you know-- is nutrition services at LPS, is it fully funded or self-funded by meal charges and federal reimbursement?

EDITH ZUMWALT: By the reimbursement that we get. But my-- the director right before me got it to be in the black. And the 35-- 31 years that I was there, the program always was self-supporting, and Andrew is continuing with that, which means all the revenue we get pays all of our bills. Plus, we would help pay for things in the district like trash pickup, electricity, water. We would contribute to all those expenses out of the School Meals Program.

BRIESE: So you actually operated with a surplus, you're saying, to some extent?

EDITH ZUMWALT: Well, we had a surplus in that we used it to pay for things. So like when new schools were being built, we could pay for the equipment that went into the kitchen, which on a new high school is probably about \$1.5 million worth of equipment. So in my ten years, I would say that more than \$15 million was saved to the district for things that the nutrition services' budget could pay for when we were building schools, and we built a warehouse to house all of our food in because of that too. So it helped the students because, you know, it gave the money back to put the money into education, but it also allowed us to provide a lot of good food to the kids. And we took a lot of-- we take a lot of pride in that.

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BRIESE: And the payment, the reimbursement, the payment rates that are described in this bill would allow nutrition services at LPS to continue to be self-supporting, I assume.

EDITH ZUMWALT: To be self-supporting.

BRIESE: OK. OK. Thank you.

EDITH ZUMWALT: Sure.

MURMAN: I have another question. You mentioned stigma for those that couldn't-- aren't able to pay. How would the students know that-- which students are on free lunch or which ones aren't or which ones pay or which ones don't?

EDITH ZUMWALT: Well, within LPS, they come through. And it's a cash register system that's electronic, but they can kind of tell by the way, you know, people respond to them. And then there are students that don't have-- when they first don't have money. Sometimes, you know, a question may be asked of them, but you try really hard not to say anything and-- to embarrass them. But it can happen. And kids kind of-- it does display the amount of money, you know. Like, you owe \$0, you owe \$30, and kids can look and see. We try to keep it hidden, but it can happen.

MURMAN: OK. Thank you. Yeah, I was wondering if you couldn't just keep that, you know, from--

EDITH ZUMWALT: It-- the intent is to keep it hidden. But it-- you know, we have a big display there with their name because we're also making sure the right child is eating. And kids have learned to duck around and see all the information.

MURMAN: OK. Thank you. Senator Linehan.

LINEHAN: You try to keep it hidden, but it's displayed. I don't understand how they can be both true.

EDITH ZUMWALT: Well, there's a display there as a child comes up. And the child's standing like this, you know? So it isn't there. But if they want to look around, it's there. But it doesn't say, you know, like, "free" or it doesn't say "reduced." It doesn't say "paid," but they could see that there's, you know, money owed on the account or there's money in the account, but--

LINEHAN: What does it say if they qualify for free or reduced lunch?

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EDITH ZUMWALT: It won't say that, no. Not, not, not-- that will not be listed, but it could show that money was owed on the account where another child could pick that up.

LINEHAN: So it's not the free and reduced lunch kids. It's kids whose parents are, are behind--

EDITH ZUMWALT: Yeah. Are behind. Right. Because if a free child, they would just come up \$0. There would be nothing there for them to see.

LINEHAN: OK. Thank you.

MURMAN: Any other questions? Thank you. OK. Thank you very much. Any other proponents?

JENIFER SOLANO: Good afternoon, members of the Education Committee. My name is Jenifer Solano. I'm 17 years old. I go to Lincoln East High School. Last month, I testified at LB99, introduced by Senator Cavanaugh to adopt the Hunger-Free Schools Act. My interest in this bill, in LB627, is to express my passion for better nutrition services and support in the education system. Food insecurity can be long-term or temporary and can be affected by income, employment, race, ethnicity and disability. The risk of food insecurity increases when money to buy food is limited or not available. In 2020, 28.6 percent of low-income households were food insecure, compared to the national average of 10.5 percent. For students, food insecurity is heartbreaking. Not having enough healthy food can affect a student's physical and mental health, academic achievement and future prosperity. Adopting the Free Student Meals Act could offer nutritious meals that would protect health, the health and well-being of all students. Additionally, it would reduce the stigma and stress families experience because it can reduce the financial strain on the family food budget. According to the Colorado Food Systems Advisory Council, universal meal programs eliminate the need in many districts for staff and time-insensitive meal service protocols, such as requiring a student to enter their student number at the register and taking cash payments. This will facilitate smoother school meal times. Free meals at school allow food service managers and employees to focus on preparing and serving meals and gives students more time to eat. Although the free and reduced lunch programs support many families, from my experience, applying for the program can be stressful. My parents don't speak English very well, and the essential paperwork needed to fill-- to be filled out may be forgotten or delayed due to language barriers and communication misunderstandings. I'm fluent in English and Spanish, but explaining taxes and income or other money

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stuff on, on the crucial documents for free and reduced lunch programs can be difficult to explain and there's more room for error. When access to school meals is not linked to an application or an income verification process, there is less room for error and all students can benefit from a free meal. Studies have shown the immense benefits of good nutrition for students and families. Consider how much we are hindering our students who are not eating lunch because they are-- they cannot afford it. I urge you to advance LB627. Thank you for your time. And I'm willing to answer any questions you may have.

MURMAN: Thank you. Any questions for Jenifer? If not, thank you very much for testifying.

CONRAD: Thank you.

MURMAN: Any other proponents for LB627? Thank you. Good afternoon.

MICHAELLA KUMKE: Good afternoon, Chairperson Murman and members of the Education Committee. My name is Michaella Kumke, spelled M-i-c-h-a-e-l-l-a K-u-m-k-e. And as president and CEO of the Food Bank of Lincoln, my colleagues and I proudly serve neighbors in southeast Nebraska. It has a geographic footprint of approximately 9,200 square miles. Within that portion of our state, an estimated 49,810 neighbors, including 14,900 children, are food insecure according to Feeding America's "Map The Meal Gap" report. Across the entire state of Nebraska, 1 in 7 children 18 years and younger lack consistent and reliable access to enough food to lead an active and healthy lifestyle. Children, even those who have stable, loving parents, need a band of adults who care enough about their well-being to speak up for them. Although I am not a parent, I am here today to express my support for LB627 and encourage you to demonstrate your own commitment to Nebraska's children. Across the Food Bank of Lincoln's 16 county service area, we partner with 116 school sites, including public and parochial schools. Nearly 6,000 children and their families per month directly benefit from food bank programs such as the Backpack Program and School Food Markets. The number of food insecure children who live in Nebraska, in southeast Nebraska alone, would be similar to a sellout at Pinnacle Bank Arena. And I don't know about you, but that is no headliner that I want to attend. Earlier this month, I led a tour at the food bank for a teachers group. Some are active in the, in the profession, while others are retired. All of them are clearly engaged in the work of caring for children, and they continue to have front row seats to their potential. As we discuss the work of fueling a child's learning, one teacher's firsthand account stunned me. At the middle school where she teaches, she explained it was common for 300

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or so students to eat breakfast when meals were free for all students. When those rules reverted to paid meals this year, she said about 30 children then showed up. Her heartache was visible. The need at her school is great. 100 percent of students at that school would benefit if food were accessible. For a middle schooler, lunch for a month at full price is \$54. When I spoke to one parent, she said, my electric bill is \$120. For some parents, this means making a choice each month: buy my kids lunch or pay the electric bill to keep the lights on. As Food Bank of Lincoln Board member, former educator and current administrator at LPS, Dr. Vann Price explains it: children tend to give you signs. They don't necessarily come up to you and say, hey, I'm hungry. But when you've done this long enough, you start to realize the signs of hunger. To ensure the students do their best learning, you have to deal with the immediate need of providing nourishment so their brains can engage. Access to no-cost meals for all students reduces stigma among students and families. It supports increased focus, aids and teachers-- aids teachers and administrators and nourishes children and nurtures learning. Schools are some of our largest and best partners in the fight against hunger. They are a central access point to children. Even if kids are vocal about the favorite or least favorite items given on a menu, they at least get a menu. That means they get a chance at something bigger. Now it is in your hands to help fill children's stomachs and therefore their minds. Please lend your support to LB627. Thank you.

MURMAN: Thank you. Any questions for Michaella Kumke? Thank you for your testimony. Good afternoon.

RASNA SETHI: Good afternoon, Chairperson Murman and members of the Education Committee. My name is Rasna Sethi. That's R-a-s-n-a S-e-t-h-i. And I'm the policy analyst at OpenSky Policy Institute. I'm here today to testify in support of LB627 because it's a sound investment in school achievement to ensure Nebraska students aren't going hungry, and it improves nutrition standards for children. If it were not for school meals, many children would go without food throughout the school day. According to Feeding America, 1 in 6 children in Nebraska are food insecure. With the improvement of nutrition standards in school meals at the federal level over the last couple of years, the meals these children get not only meet their hunger needs but provide a source of much-needed nutrition as well. Specifically, recent evidence found that a significant decrease in the amount of child obesity and child food insecurity is a result of universal school meals provided during the pandemic. This legislation would continue providing universal school breakfast and school lunch for all students and thus continue reducing obesity and food

insecurity for our state's children. Making the School Meals Program free is also a good investment. Not only does it reduce administrative costs associated with paperwork, but it provides an economic benefit in the state. For every dollar invested in school meals, there's a \$2 return in health and economic benefits. Simply put, recent research found that a \$40 million return on investment improved health outcomes and poverty reduction from feeding 30 million children nationally. As Governor Pillen emphasizes, children are our future, and it's in our best interest to invest not only in their education but their health and wellness as well. While the fiscal note is a bit large, at \$55 million, feeding children is key to ensuring their success in school. So we support this as an investment in our students. For these reasons, OpenSky Policy Institute supports LB627 and would encourage the committee to move it to the floor. With that, I thank you and-- for your time. And I'm happy to take any questions you may have.

MURMAN: Thank you. Any questions for Rasna Sethi? If not, thank you very much for your testimony. Other proponents?

ANAHI SALAZAR: Good afternoon, Chairperson Murman and members of the Education Committee. My name is Anahi Salazar, A-n-a-h-i S-a-l-a-z-a-r. And I'm representing Voices for Children in Nebraska in support of LB627. Children are Nebraska's greatest asset. And when all children can reach their full potential, our state and economy are better off. Breakfast and lunch are essential to every child's development and well-being. Access to nutritious and healthy meals is what every child in Nebraska deserves. LB2-- LB627 would ensure that every student is going into their classroom in the morning fueled for the day. Achieving student success in the classroom is directly correlated with students having their basic needs met, one of which is healthy and nutritious meals. No-cost meals help students' well-being by decreasing the stressor of having to figure out if they have enough money in their school account for their next school meal. In 2021, there were almost 84,000 Nebraska households who were food insecure, meaning that someone in the household reduced their meal intake because there was not enough food to eat in the home. And 1 in 10-- 1 in 9 Nebraska households do not know where the-- their next meal is coming from, an increase in uncertainty from 2020. Since 1946, school meals have provided an effective solution to hunger as a barrier to learning. With the ongoing success of the National School Lunch and Breakfast, Breakfast programs, LB627 would ensure that every student is ready to learn every day. A student who is hungry cannot learn. Students with food insecurity can have lower math and reading gains, increased risk of poor, poor physical and mental health outcomes and lower academic readiness. With no-cost meals, students would be able

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to concentrate on their academics and school, families do not have to worry about the extra financial burden and educators can feel reassured in knowing their students are receiving meals throughout the day. LB627 eliminates inequity and expanding access to food for every student. School meals should be a social time for every student, and LB627 would allow students to joyfully interact with their peers, preventing added stressors for themselves and their families. When schools are able to offer no-cost meals, school stigma in the lunchroom becomes a nonfactor. Voices for Children in Nebraska supports LB627 because it would ensure children, children across the, the state of Nebraska access to school-nutritious meals. Thank you, Senator Bostar, for bringing this important issue forward. And we respectfully urge the committee to advance LB627. Thank you.

MURMAN: Thank you. Any questions for Alana [SIC] Salazar? Senator Linehan.

LINEHAN: Thank you, Chairman Murman. And I'm not sure you're-- I'm more asking this broadly to anybody that's here. I would like to see-- we have 46 percent of kids in Nebraska in schools are on free and reduced lunch. So what does that mean? And what, what does a lunch cost or breakfast cost? And how, how, how can-- how do we get to \$55 million? I mean, it's obviously a great cause, but how does it get to \$55 million? Does that mean we're currently spending \$110 million on school lunches and breakfast? And-- does that mean-- how much is that per child per day? I need some way to wrap my head around \$55 million.

ANAHI SALAZAR: Yeah, I agree. It is a, a pretty big fin-- fiscal note, and I think there might be a testifier after me that would be able to better answer that question when it comes to those fiscal impacts and how it, it is currently and what we would need in order to get to \$55 million, or to \$0 in order for there to be no-cost meals, so. But that is a great question. I agree. And it is-- I-- with inflation the way it has been in the past and how food has increased, I think it has just also impacted companies that are sourcing to schools, which--

LINEHAN: Well, that's what I'm interested in, the companies that are sourcing the schools, yes.

ANAHI SALAZAR: Yeah.

LINEHAN: And there has also been several people that said it, it improved scores, but I don't think there's anything out there that says when we were feeding kids for free over the last school year that scores when up, so I don't-- where is the information to back-- and I

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understand it-- we all understand intuitively that a hungry kid can't learn. But where-- what studies are they quoting? And I'm not-- again, I'm not talking just to you but kind of--

ANAHI SALAZAR: Yeah.

LINEHAN: -- figure out the whole picture here.

ANAHI SALAZAR: Yeah. I think-- from, from what I have researched, it has mostly been CEP schools, or schools that are under the Community Eligibility Program, in the past that have been-- that have seen the increase, increase in test scores or reading [INAUDIBLE] or math test scores prepandemic and all that.

LINEHAN: OK. That makes sense. But to see those stats would be helpful.

ANAHI SALAZAR: OK.

LINEHAN: Thank you.

ANAHI SALAZAR: Yup.

MURMAN: Thank you. Any other questions? Thank you very much for testifying.

ANAHI SALAZAR: Thank you.

JEREMY EKELER: Good afternoon, Education Committee. My name is Jeremy Ekeler, J-e-r-e-m-y. Ekeler is E-k-e-l-e-r. I'm the associate director of education policy for the Nebraska Catholic Conference. Today is 3.14, which is Pi Day, and we're doing a meal bill. No one has pointed that out yet, so I thought I would start my testimony by asking Senator Bostar to include pie in the bill. Senator Bostar and his office included the Catholic Conference very early in the process of this bill. They were able to learn about our dynamics and mission schools. They established correctly that food insecurity and hunger issues impact kids in all types of schools. We appreciate that approach very much. And so on behalf of our 112 schools, 2,500 educators and 27,000 students, the conference voices support for LB627 for three reasons. First, the Catholic Church prioritizes taking care of and giving preference to the vulnerable in society. As a matter of fact, feeding the hungry is often listed first when we discuss the Corporal Works of Mercy. LB627 honors this prefer-- this premise by prioritizing schools that reside in Community Eligible-- Eligibility Provision areas where food insecurity is most likely to occur. First,

it uses a CEP model to create efficiencies for schools serving breakfast and lunch to our highest poverty areas. Second, the meals for students in these schools are fully refunded after all other federal funding has been max-- maximized. Secondly, LB627 upholds the church's teaching on subsidiarity because the bill allows schools to opt into the program if they find it helpful for their communities. This contrasts with many other meal bill programs around the country that either mandate or automatically opt schools into the program. By providing opportunity, the decision making is retained at the local level. Lastly-- and you've heard a lot of figures today, and they all seem to be pretty close, but what we sort of came up with is that almost 10 percent of Nebraskans are food insecure. And I was-- I, I found it very interesting, when you look at the maps, that some of the most vulnerable areas are actually rural areas. The second largest-- larger fiscal note for LB627 and other school meal bills point to the national trend of programs like LB627 to address student hunger issues. I found over 30 programs now enacted across the country using creative ideas like, quote unquote, "sin taxes" to support reimbursements, various threshold markers like, like implementing a program like our own farm to school and support for staffing of food personnel. So the conference thanks Senator Bostar and Senator Walz for LB285, for their consideration of nonpublic schools and their meal-- school meal bills and looks forward to future discussion on helping children most in need. Thank you for your consideration. I'm open for questions.

MURMAN: Thank you. Any questions for Jeremy Ekeler? Senator Linehan.

LINEHAN: So do you understand why it's \$55 million?

JEREMY EKELER: I have a thought. I don't-- I think-- so, I see the bill in two parts. I see the part with the CEP, which, which is kind of the part we're here to talk about: the most vulnerable. But the second part-- and I am on page 4, around line 17, part-- so this would be-- I'm sorry. Page 4, part-- this-- I see a second part here that's non-CEP schools that reimburses at 30 percent for breakfast, 40 percent for lunches. But that is, that is for schools that are not in the CEP. I, I would think that reimbursement would be a large portion of the students in the state. We're really here supporting the preference for the, for the poor and the vulnerable. So that could be part of the reason. I don't know if anyone has really testified on the fact that there's a meal reimbursement for non-CEPs in this bill as well.

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LINEHAN: So does the \$2.50-- I think that's what they said-- for school lunch. Does that sound-- that's what children are paying-- parents are paying for children?

JEREMY EKELER: Well, I've got, I've got four-- I'm paying for for lunches right now. I just dropped off a \$200 check. So I think it's-- I think we're around \$275 to \$325 right now, somewhere in that range.

LINEHAN: And then breakfast too?

JEREMY EKELER: The school my children attend does not serve breakfast. I couldn't comment on that one.

LINEHAN: OK.

JEREMY EKELER: I think breakfasts are typically closer to-- well, I shouldn't speak on it. I'm not sure on it, so I'm not going to speak on it.

LINEHAN: Do you know the reimbursement rates? They're going to get them for us anyway, but--

JEREMY EKELER: I don't-- you know, when I was at Cathedral, I had this wonderful woman named Mrs. Morrrows [PHONETIC]. I hope she's listening right now because she did all of the lunch program stuff. And I wish she was here, but I don't know that number, no.

LINEHAN: All right. Thank you.

MURMAN: Any other questions for Jeremy Ekeler?

JEREMY EKELER: All right. Thank you for your time.

CONRAD: Thank you.

MURMAN: Other proponents?

ERIC SAVAIANO: Senator Murman and members of the Education Committee. My name is Eric Savaiano, E-r-i-c S-a-v-a-i-a-n-o. And I am the Economic Justice Program manager for food and nutrition access at Nebraska Appleaseed. We're a nonprofit, nonpartisan law and policy organization that fights for justice and opportunity for all Nebraskans. And I'm here today to testify in support of LB627. Senator Linehan, I'd love to answer some of your questions. I have a full note of numbers in a grid here that I'd love to hand to you to write down if that's simpler than me telling you all of them. But I can explain

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where the \$55 million in general and then have you the, the reimbursement rates if you'd like. It is not, sadly, in this testimony I handed out. So the \$55 million comes-- is, is in general what the parents and students have to make up for when federal reimbursement and, and, and student payments are combined to pay for a school meal program. I have the average charge for breakfast and lunch in the U.S. here, and that's around a \$1.73 for breakfast and \$2.75 for lunch. Federal reimbursement happens for every meal served, whether it's free, reduced or paid. Students who are on free do not pay a thing out of pocket, but the reimbursement covers all of that. The students who are on reduced price only pay \$0.30 for breakfast or \$0.40 for lunch. And then the paid rate is set by district. So the average I just read to you, some, some districts obviously charge more, some charge less. But the federal government does reimburse some portion of that. So in general, the, the reimbursement that you, you-- the \$55 million is in general made up of the parent and student payments that are-- would be then covered by the state General Funds in LB627. I can just share that and update that since the last time that I came to speak to you about LB99-- again, there are three states that have permanent free school meals for all. There's Maine, California and Colorado. It was not mentioned. But the additional one that's passing today is the-- is Minnesota, which will be the fourth state. And then there are three additional states who have a year-by-year policy in place right now. So districts and, and states are doing good work in making this a reality in their states. In general, they are using funding mechanisms just like LB627 proposes and, and prioritizing that investment from their general fund. I'd be happy to talk more about unpaid meal debt. It is somewhat-- it, it is more disparate than just LPS's experience. There are a lot of districts that have to or have chosen to use policies that do not allow students to get a meal or have an alternative meal served to them. And, and then they have to deal with the debt in many different ways. We've done some research around that as well. But with that, I'll, I'll share-- I'll say that we support LB627 and encourage you to pass it out of committee.

MURMAN: Any questions? Senator Linehan.

LINEHAN: Thank you. That was very, very helpful, and thank you for being here. I don't think you said how much the schools were reimbursed for paid lunches.

ERIC SAVAIANO: So for paid lunches-- for breakfast, it's \$0.50. And for lunch, it's \$0.77.

LINEHAN: Thank you very much.

ERIC SAVAIANO: Um-hum.

MURMAN: Any other questions? Senator Conrad.

CONRAD: Thank you so much, Chair Murman. Thank you for being here, Eric. And I think you, you did help to unpack the fiscal now and kind of how this proposal works out. So I know you're an expert on these issues. You've been here to testify on Senator Walz's bill regarding childhood nutrition and school feeding programs, which I think the committee has already advanced, if memory serves. It all kind of runs together. But can you tell me-- I was trying to decipher, is this measure-- how does this compare or contrast to the measure that Senator Cavanaugh has before the committee as well? It seems very similar to me, but perhaps I was missing something. Have you had a chance to differentiate that?

ERIC SAVAIANO: Um-hum. So the two bills are almost identical.

CONRAD: OK.

ERIC SAVAIANO: There's some just technical-- or, or at least-- just language that doesn't seem too critical to the policy that has changed. But then I believe also the-- this bill explicitly includes the Catholic nonprofit private schools as well.

CONRAD: Oh, OK. That's helpful.

ERIC SAVAIANO: Right. And I think Senator Cavanaugh's bill-- Senator Cavanaugh was concerned that there was a legal challenge to using state funds for private schools. And so that's why that was--

CONRAD: OK. That would be the only difference there. OK. Sorry. I didn't mean to talk over you. The transcribers will not appreciate that. But-- so in trying to understand kind of the breadth of the policy options before us, it seems to me that Senator Walz's measure was perhaps the most modest step before the Legislature in regards to strengthening our school nutrition programs. And the measure that Senator Cavanaugh and Senator Bostar are arguably close to identical, maybe with some important nuances, are perhaps the most liberal or the most robust kind of policy options before us to improving school nutrition programs. In essence, this says state taxpayers, general funds pick up all the remaining costs not covered by the federal government for school feeding programs. Is that a fair assessment?

ERIC SAVAIANO: Yeah. That, that's fair to say, for sure. The bill that was advanced unanimously is no cost to the state.

CONRAD: OK.

ERIC SAVAIANO: And these two bills have sim-- I think exactly the same fiscal note.

CONRAD: So then the last question that I would have in-- maybe you know from your research, is there a way to modify Senator Cavanaugh or Senator Bostar's proposal? Or is it smart to modify these proposals that say, for example, that you wouldn't have the state taxpayers pick up the tab for high-income families or families that can afford the School Lunch Program? Can you help me understand how the policy works for-- because it's treating all Nebraskans the same, whether they're struggling to put food on the table or they have resources to do that. Perhaps that's baked into the policy design. Is that a better option? Can you just help us unpack that a little bit?

ERIC SAVAIANO: Yeah. Yeah, that's a great question. And it is a common concern for universal free meal programs. The, the, the answer I have for that is that, in general, the eligibility thresholds for free and reduced price meals at 130 percent of federal poverty level and 185 percent, respectively, those thresholds do not include all food-insecure Nebraskans. That's why we have unpaid meal debt. That's why, in general, we have people who send their kids to school and hope that the policies let their students eat the meals that are served to them without having, having that come back to them to be sent to collections or sent to Child Protective Services, which actually happens in our state when unpaid meal debt happens as well. I will say I've heard of another state that has looked into increasing that eligibility level to higher than 185 percent, and they have found that the cost of, of continuing to separate kids by income has been a lot more than just providing free meals for free-- sorry. So, meals for free to all students. So that's an option to this body, of course, if, if there was an agreed upon threshold, but it has been a challenge, at least in another state's analysis.

CONRAD: So in essence, there's just an in-- basically an administrative efficiency and taking a kind of one-size-fits-all approach instead of continue to apply various income thresholds.

ERIC SAVAIANO: Correct.

CONRAD: OK. That's, that's very helpful. And then I guess the last piece in, you know, trying to unpack some of these issues as well-- and I-- maybe goes to some of the questions Senator Linehan was teasing out, I think, in regards to the fiscal implications of the

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measure. But, you know, as we see a continued chasm open in regards to economic inequality in Nebraska and beyond, where we see folks that are working many times full-time at least one job, if not more so, but are still struggling to meet their basic needs, kind of in the, the lower rungs of the economic ladder or even for some folks that might be classified as, as middle class. So, you know, it seems to me that I continue to hear a lot from my constituents about that both parents are working outside the home. They're trying really, really hard to keep their head above water. But every little piece, whether it's school lunch or child care or the electric bill or what have you, it just-- they, they just can't make it work. There's not a magic amount of budgeting out there to, to make it work. Are you seeing some of those trends in your work or is that part of the broader context that other states have looked at that have moved in these directions? If you just want to talk about that kind of context picture, I think it'd be helpful.

ERIC SAVAIANO: Yeah. And I could go on and on about that, I'm sure.

CONRAD: Yeah.

ERIC SAVAIANO: But just in the food space, of course, we've all seen that cost of, of food has increased, inflation has increased. Nutrition directors are expressing that to me around the state as well. So paying for the meals, incurring a lot of unpaid meal debt more than they have in years past for sure has been a big challenge. And so families and parents and, and students, caregivers, all of them are feeling the pressure. And a bill like this would, would alleviate a lot of the-- this-- of course, money that goes to a school meal account is not just designated for food or, or anything, and it could be put toward rent or any other expense that's needed.

CONRAD: Yeah. I, I think that's really helpful. Thank you so much. And I'm just also thinking, looking at the fiscal note, it is a big number. There's no question about that. But in terms of a \$10 billion state budget, in terms of \$1 billion dollar plus being invested in education, it kind of puts those, those otherwise eye-popping numbers kind of in context as well. So I, I appreciate that. Thanks.

ERIC SAVAIANO: Thanks for the questions.

MURMAN: Any other questions? Senator Linehan.

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LINEHAN: Did you say that you know of schools that turned parents in to Child Protective Services because of unpaid, unpaid-- I mean, is that the only reason they got turned in, unpaid school meals?

ERIC SAVAIANO: In, in 2019, we did a, a survey of schools asking for their unpaid meal debt policies. Senator Walz helped support that through a legislative resolution. And we found that in, in their policies as described in these, these written documents, the specific problem of having unpaid meal debt would result, after a time, in being turned into Child Protective Services. So there were at least 2 instances of that out of 77 districts who responded to that survey.

LINEHAN: Thank you.

MURMAN: Any other questions? I have one. And I don't want to be insensitive at all in asking this question.

ERIC SAVAIANO: Sure.

MURMAN: And I don't feel like a hypocrite because I definitely need to lose a few pounds, but I'm probably one of the older people-- I know I'm one of the older people in here. When I was young, there was hardly ever any kids that, well, other kids called fat kids. I didn't, but, you know. Most kids were in really good condition compared to now, I would say. There's a lot of young people that are overweight now, and adults too, of course. And I know there's a lot of factors that go into that. It's not just, just nutrition or school nutrition. But, you, you know-- and we hear a lot about food insecurity and so forth. But in general, people are-- have a lot more extra pounds on now than they did 50 years ago.

ERIC SAVAIANO: Right.

MURMAN: Or 60. You know, what, what, what do you think-- and it was before electronic devices too. And I know now, you know, lack of exercise is a lot of it. And, and you can't just blame electronic devices because I noticed it before those were even around. So what do you think of that?

ERIC SAVAIANO: Sure. Yeah. And, and I appreciate the question. It come-- I want to-- I do have some answers. I will say that the obesity trend has gone up in, in adults as well as children. Childhood obesity for sure is a challenge among all sorts of-- or, in, in America in general, not just Nebraska. What I know is that access to high density, high fat, high, highly processed foods can contribute to-- like you'd find at fast food restaurants or like you'd find in school

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meals a long time ago. They've, they've definitely made a lot of improvements on the health and nutritional quality of those meals. But I will say I don't believe that there are students-- I don't believe that the upward trend in, in childhood obesity necessarily relates to just the school meal issue, but the access to not healthy food compared to some nutritious foods as well. And I will say a study very recently from Tufts University said that school meals are the most nutritious meals that a student will receive compared to even home, compared to any out-- restaurant eating, and anywhere you could go. I'd be happy to share that with you. But I, I, I definitely see the issue you're bringing up, and-- I think I'm done rambling.

MURMAN: Yeah. Well, I'd appreciate that study if you--

ERIC SAVAIANO: Be happy to.

MURMAN: --you know, I'd appreciate seeing that. You know, my own opinion is I think a lack of exercise is a big part of it.

ERIC SAVAIANO: True.

MURMAN: But also, when I was younger, almost everybody had meals at, at home rather than in school, or sack lunches. Well, we had sack lunches. But everything was prepared at home. A lot less eating out or fast food, of course.

ERIC SAVAIANO: Gotcha.

MURMAN: So I think, just as you indicated, the fast food is definitely an issue also. But I, I'm a little surprised you said-- I think I heard you say school nutrition is even better than meals prepared at home, because it seems to me those were really healthy. But thank you very much for that.

ERIC SAVAIANO: Yeah. I'll send that, that study.

MURMAN: Thank you. Any other questions? OK. Thank you very much.

ERIC SAVAIANO: Thank you all.

MURMAN: Any other proponents?

SCOTT THOMAS: Good afternoon, Senators. I'm Scott Thomas of Village in Progress, Nebraska NGO for Human Rights. I love it. I think it fixes the, the issue that we had with Senator Cavanaugh's bill, and I still thank her for bringing that and I appreciate the intention of the

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bill. But, yeah. This fixes everything that we were concerned about. It's a, it's a lay-up, as far as I'm concerned. This is the low-hanging fruit, like it's easy to do this. Not everybody in this body is going to agree on everything. But, you know, we can feed kids. We can make sure that kids are eating in Nebraska and then talk later. You know, feed the kids, talk later. And so we will support this in the interests of equality. And I think the, the problem with inequality is two-fold in our society, that inequality begets inequality. It perpetuates itself, right? And you could think about that as manifesting in the form of resentments, like people. I didn't get this. Why should they? Right? But it also-- and I know everybody can't stand my hypotheticals, but I'm going to do what I did yesterday, another hypothetical situation. So you can't play a shell game with the neglect of children. It's kind of like-- imagine that your wife or your child or your sibling had cancer or some kind of terminal illness. And maybe the cure is in the mind of some aspiring doctor. The child doesn't get proper nutrition, the doctor becomes a med aid, and the cure for cancer isn't really-- I mean, you could flesh out the suppositions on your own. It is a problem. Inequality isn't just a problem, an individual problem, that one individual is being denied equal treatment. It's actually a societal problem for that reason. And so I'm, I'm, I'm sure you have heard that before, that reference, so I'm not going to take credit for it. And then to Senator Linehan's question, there's no contention in the area of psychology or the study of early childhood development that proper nutrition is a prerequisite for cognitive development, proper cognitive development. And I guess I'm winding down, so I'm going to just go ahead and cut it before I get into something else, so. Any questions from the senators? I'd be happy to answer.

MURMAN: Thank you. Any questions?

CONRAD: Thank you.

MURMAN: Thank you very much for your testimony. Any other proponents for LB627? Any opponents for LB627? Any neutral testifiers for LB627?

SHIRLEY NIEMEYER: Senators. I'm Shirley Niemeyer, S-h-i-r-l-e-y N-i-e-m-e-y-e-r. I'm testifying for myself. And I had to go neutral on this one because I was on both sides. I do strongly support free, reduced lunch programs for low-income and those in poverty. And maybe we just need to go a little higher on the income to serve more students at that level, try lower middle and, you know. But, but expand it a little bit. And I'd like to see the money go towards that. Nutrition is so essential. I used to teach it a long time ago. And

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it's so-- just for brain development and to be able to pay attention and physical development-- on and on and on we can go. But I have questions on how much this is going to cost because I'm not clear on exactly how it all works together. And I can tell from some of your questions, some of you may not be either. But I don't understand how much money in total this is going to cost if we feed all students and if we add the nonprofit schools. I'd like to see those figures, or hope you've taken a look at them. I just see so many bills in the Legislature that either is supporting all these new programs to, to add to schools, which are costly, and then I see bills that are going to take away-- like, they're going to take away the property tax, which I agree. It should be lowered. But where is, where is this all going to fall together? There are so many bills in the Legislature-- they're doing \$200 million for this and \$500 million for this. I can't make a decision on this because I don't know what's going to happen in the end, and maybe you don't either until it's gone-- done. I think you can deal with the children and the young teens and teens that are having problems because somebody knows that they're on free or reduced. You can do that with tickets. You can do that with electronics. You can do that with a shield. But I think the other kids are going to know anyway. Just because how do they get to school, their clothes. But I think they'd probably get bullied for other things a lot more than they get bullied for free school lunch. So I'm not sure how big a factor that is. I just hope you'll think about separation of church and state. I can't answer that. I donate a lot to some of our free-- we have kids, kids covered. We have a community pantry. I've given to nonprofit organizations, you know, for various services. And I'm just not sure-- when they choose something, how much can Nebraska-- and I see other bills that are going to try to provide support for nonprofits. They do great work-- oops. They do great work. But, I just don't know how we can afford all of it. But that's up to you. So, thank you very much.

MURMAN: Thank you. Any questions for Shirley Niemeyer? Thank you very much for your testimony. Any other neutral testifiers for LB627? You're welcome to come up and close. In the emails, we have-- or, online I mean, we have 16 proponents, 3 opponents, 0 neutral. And that will-- waives closing. So that will close the hearing for LB627. And we'll open the hearing for LB478. Senator Wayne.

WAYNE: Thank you, Chairman Murman and 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 in northeast Douglas County. This is an interesting bill to me. And it's beyond interesting because, one, a good friend of mine is the one who actually runs the school system for

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DHHS. So it's no negative towards him. In fact, I think another school district should hire him as their superintendent. I'll just leave it at that. But I started having a conversation and many of you know, I represented juveniles multiple times. And we started talking about the school system and the interaction between the school systems. And I ran across a consulting agreement between NDE and DHHS to make improvements on the educational system, as it relates to the kids in DHHS. And then my friend was hired and I didn't even think about it until, you know, we all do, on the first day of the legislation and you're trying to craft a bill. And what's interesting is this bill came here. Read the title of this bill and it's about the juvenile code. And why is this not in Judiciary? I was going to move it to Judiciary, but then I thought this is exactly where it should be. And this is my point. It should be in Education because we're talking about educating kids. This shouldn't be in HHS, who actually governs this organization and it shouldn't be in Judiciary, even though the law around everything that it pertains to these kids are juveniles in the judiciary system. But we're talking about education. And we're talking about a school system that is being ran by the Health and Human Services Department. Let me repeat that, a school system that is being ran by the Health and Human Service Department. Now, all the times here, you know, I have not talked any nay-- I don't talk negative about the Health and Human Services. I know they have a lot of issues to deal with. But this was one way that I felt we need to have a policy conversation regarding where kids who are placed in our system are getting their education and more importantly, who they are accountable to. So if you are in DCYC, which is Douglas, Douglas County Correctional Youth Center, OPS serves those kids. Teachers go in there, serve those kids. I know where their education is coming from. I know who I can talk to. I'm unclear-- now, if it happened to be that this individual didn't-- he's going to testify, probably an opposition, didn't move back from Atlanta and do this and come and talk to me, I still would have had this concern. But as many of you know, I haven't introduced a lot of Education bills because I've been working in Urban Affairs and now Judiciary. But this one just kept standing out to me this year, as maybe we need to have a policy discussion. And part of it is we're talking about building new prisons, we're talking about juvenile justice reform and so, I dropped this bill. And when it came to education, I thought, that's the point. This should be under the control of our state board because it's statewide. They can be held accountable to it, because it is an education system. Underneath the Governor, HHS makes no sense to me. So that's all this policy conversation is about is moving them. It isn't anything else about trying to remove or reduce what goes on

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there or change what goes on there. I just think if we're going to have an education system as a policy, they should be in the education area, not in HHS. And everybody kind of, I think, at first blush, would agree with that. That's kind of where I'll leave it. This is consent calendar material. So no. I mean, again, I'm going to, I'm going to ask the committee-- at this point, I'm not trying to move it this year, because I don't-- this is a lot more complexities to this, especially on the juvenile side. But this has to be a component, before I leave, of making sure that the students in our system are being educated through our education system, not through HHS.

MURMAN: OK. Thank you. Any questions for Senator Wayne? Senator Conrad.

CONRAD: Thank you so much. Chair. Thank you, Senator, for bringing this forward. And I, I think that you are onto something, that there is-- this is-- this educational system is kind of operating in the shadows or it's kind of an undercurrent from what we normally think about, in terms of our educational policy. And I'm just wondering if perhaps, there might be some synergies or some baby steps-- like Senator Arch has a measure, I think, before this committee that seeks to strengthen communication between corrections and HHS and juvenile justice and all of the different interlocking systems, which seems to be kind of just a basic information sharing. And then yours, maybe, is, is kind of the next step, in terms of oversight and regulation and, kind of, where we house it. Is that a fair assessment?

WAYNE: Fair. And there's also a bill in HHS that deals with some juvenile data sharing and I have one.

CONRAD: OK.

WAYNE: And also, I mean, Senator Machaela Cavanaugh has one in Judiciary. So there's like, a trifecta of bills, but they all went in different places. So, yeah, there is that moment. But I, I just-- I thought we need to get, get into this conversation sooner than later.

CONRAD: Yeah, I, I appreciate that. And I know, during my time outside of the Legislature when I was doing civil rights work, that we would frequently hear inquiries from family members, from impacted youth, even sometimes from teachers acting as whistleblowers in these systems, about whether or not some kids who were receiving educational services were, you know, getting services that were commensurate with their peers in the broader community. And, you know, how COVID impacted that or how, say, for example, even, you know, the

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utilization of solitary impacted their ability to continue their, their educational endeavors. So I, I think it's a, a very interesting issue and I'm, I'm glad you brought it forward.

WAYNE: And, and I will say over the last four years, there has been substantial improvement in the juveniles that I have worked with, who come back from YRTC, who are doing extremely better than it was in my first 10 years doing juvenile work. So I do think there's been a lot of improvement, but it still begs the policy question of where.

CONRAD: Yeah. Thanks. Thank you.

MURMAN: Senator Walz.

WALZ: Thank you, Chair Murman. This was actually a recommendation also, that came out of the YRTC study that we had with Senator Howard. One of the things-- and maybe you can answer this, maybe you can't. Maybe it's a question for somebody else. But one of the things that I kept thinking of, as we were going to the YRTC and, and talking about this issue, was are there-- how are-- I think that there is a problem, because they're not being able to get the resources that they could get from the department when it comes to education, whatever those resources, resources are. It's-- is it fully relied on now, still, at the Department of Health and Human Services? Are they providing-- are they expected to provide all the resources needed?

WAYNE: My understanding, that's still how it works. And they still work with local school districts in those areas, too, to help. But I do think it just-- yes, they do, but I think it's not always, not always enough, that they could get if they had a state board or-- and I know, some people feel different about the state Board of Education. I understand that. But I think it should be housed within the education community somewhere.

WALZ: Yeah.

WAYNE: For those exact reasons.

WALZ: Yeah.

MURMAN: Any other questions for Senator Wayne? Thank you very much. Any proponents for LB478? Any opponents for LB478? Opponents, yeah. Good afternoon.

SCOTT ENGLISH: Good afternoon, good afternoon, Chairman Murman and members of the Educational Committee. My name is Scott English,

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S-c-o-t-t E-n-g-l-i-s-h. I am the school superintendent at the Department of Health and Human Services Youth facilities. I am here to testify in opposition of LB478. DHHS currently operates five schools, one school each at YRTC-Kearney, YRTC-Hastings, YRTC-Lincoln and as well, two Rule 10-- Rule 18 schools at the Whitehall Campus: Morton School and Nebraska Youth Academy. This bill proposes to transition the responsibilities related to these state-operated schools from DHHS to the State Board of Education. We have seen that our youth are more likely to thrive to succeed when both education and facility programming work together. This bill will create a neutral division-- a natural division among facilities and schools, which could ultimately be the detriment to the youth we serve. DHHS is committed to the success of our youth in residential facilities. We work to ensure that these youth are on track to graduate and receiving necessary supports, which are based on their individual-- individualized needs and acuity. The systems utilized across all of our facilities assist the youth with gaining academic credit while receiving a quality education based on the best practices. Department is working hard to assist our youth with identifying their life purpose and helping instill the value of education to their future. Our youth are engaged in school as a part of programming and are working to improve every day. This is happening because the system that has been developed and our teammates that have expertise with these populations. This type of work is not accomplished in isolation. It's done collaboratively and equitably across our school system to best serve our students. Therefore, we ensure that each school campus has strong and consistent leadership. Through our efforts, we are transforming the academic culture across our facility communities. While there is more work to be done, a firm foundation has been established. Over the past several years, DHHS focused on enhancing the educational program at our residential facilities and there have been many positive changes. We are utilizing the Nebraska Youth Engagement System, which is tied to the tightly integrated efforts of school staff, clinical team members, youth security specialists and other employees. This delicate, yet effective approach has taken the team two years to fully implement. Removing responsibilities from the education component will bi-- bifurcate our programming and cripple the effectiveness of our comprehensive approach. From March 2020 to August '22, DHHS contracted with the Nebraska Department of Education. This contract assess how we could provide the best quality education to our youth. During this time frame, I was hired as a consultant with NDE to make sure the processes implemented were working successfully. Managing between the two different agencies was not, was not only challenging, but quite complex. For this reason, I would caution

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against codifying a statute that established a system under which two state agencies are both in administrative roles for different portions of the same facility. And this could pose difficulties that would potentially create significant impediments to youth in our care. We respectfully request that the committee not advance LB478. Thank you for the opportunity to testify today and I'd be happy to answer any questions.

MURMAN: Any questions for Scott English? Senator Linehan.

LINEHAN: Thank you, Chairman Murman. And thank you very much for being here, Mr. English. So does the Department of Ed help fund your educational services? I mean.

SCOTT ENGLISH: They do not. Because we were in the part-- in the partnership that we were able to acquire some Esser funds, as any other district did. So we were able to purchase materials. We were able to adopt a lab, we were able to adopt ELA and provide different interventions like math, Read 180. So they don't fund it. They just can provide support to us.

LINEHAN: So how many students do you have in your programs?

SCOTT ENGLISH: That varies. Right now, about 80, but that's pre-COVID. When I came, West Kearney itself had about 130 kids. And then the other facilities, it really--it depends on-- they can max out at 30. But right now we've got 80 total, at all the facilities.

MURMAN: Any other questions for Scott English? Senator Briese.

BRIESE: Thank you Chair Murman. Thank you for your testimony here today. Why again did you contract with the Department of Education?

SCOTT ENGLISH: So CEO Smith and Deputy Commissioner Frison got together about four or five years ago. And they just felt they needed to look at our educational system and what-- how we were operating. Previously, a principal could be at each facility at the school. And that principal was in control of what was going on, educationally. And if that principal left and another principal came in, then that principal would control what decisions were made. And so, we came in with CEO Smith, COO Kahl, Mark LaBouchardiere, Dr. Foor and Dr. Frison, and said, what works best for our kids? And so we're not, on paper, a school system, but since I've been in charge, we act and collaborate as if we're operating as a system within DHHS.

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BRIESE: So what expertise did they have that wasn't available without them?

SCOTT ENGLISH: DHHS or NDE?

BRIESE: Yes.

SCOTT ENGLISH: So what happened-- so it's, it's a-- it was a fine balance. If I can say traditional, educated minded people want to do what's best for kids. Facility minded people want to do what's safe for kids. So we had to balance what that looked like, as far as curriculum and education on how our kids-- understanding our kids drop into us at any given time and leave. So it was really kind of tricky, working with NDE and deciding what's the best possible way to provide what education. Now, in the area of compliance, though, they helped us make sure that we could be creating a schedule that our teachers can be part of the programming of the youth. Because when I first got in there, teachers worked from 8:15, left at 3:45 and never was a part of the programming, which is a key piece of the kid's education. So I'm working with NDE and their compliance department. I was able to create a schedule to where our kids-- our teachers can be part of the programming from 2:30 on and actually have decisions that's made about the kids. So we just had it more accessible to us, if anything.

BRIESE: Sounds like NDE's expertise was very-- quite important to what we're trying to do here.

SCOTT ENGLISH: Between both. It was based on the fact that, again, they were traditionally-minded thinking. And I, and I have to say that, because it's a learning curve when you're dealing with youth in an adjudicated system because of safety first. Any decision you make is safety first. So their educational expertise in the different departments, whether it was curriculum, whether it was compliance, whether it's special ed, has helped us and me establishing relationships with each department has helped us, moving forward.

BRIESE: OK. Thank you.

MURMAN: Any other questions? Senator Conrad.

CONRAD: Thank you so much. Thank you for being here so much. And just trying to make sure that I get an understanding of some of the issues Senator Wayne is lifting in, in regards to your leadership and interaction on these critical issues. So there was a contract between HHS and NDE to asset-- to provide some of these services and you were filling that consulting contract, is that right? No.

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SCOTT ENGLISH: So the reason, so the reason--

CONRAD: Maybe I'm misunderstanding.

SCOTT ENGLISH: --the reason for the contract was for NDE to come in to do an analysis--

CONRAD: OK.

SCOTT ENGLISH: --of what's going on at all the different facilities.

CONRAD: OK.

SCOTT ENGLISH: And then NDE was to make the rules and recommendations. The benefit with me being there is while we were making the recommendations, we were also implementing the recommendations.

CONRAD: OK. And do you know, is that NDE assessment complete? Is it ongoing?

SCOTT ENGLISH: Once the contract ended, the recommendations were, were given. But I'm going to be honest, my transition into the position because, because the contract was between NDE and DHHS, but I was the one staff that all the facilities-- worked with all the facility administrators. So once that contract ended, the work continued, because I continued on with DHHS.

CONRAD: Oh, OK. That's helpful. And I can go back and maybe talk to NDE about it, too, but just trying to get a handle on like, what the price tag was on that. And then, was that just like revolving funds because it was between state agencies or do you know the mechanics of the background of that? Maybe it's beyond the scope of your work.

SCOTT ENGLISH: I don't know. That is beyond me. And I'm going to tell you that because it-- dollars, amongst the agencies, that's, that's an interesting kind of step right there.

CONRAD: There's a lot threads to untangle--

SCOTT ENGLISH: Yeah.

CONRAD: -- with those revolving funds.

SCOTT ENGLISH: Correct. Correct.

CONRAD: Very good. All right. Thank you so much.

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MURMAN: Any other questions? I've got one. If I remember correctly, just like a couple of years ago, the position of superintendent was established for YRTC?

SCOTT ENGLISH: Correct.

MURMAN: Is that correct?

SCOTT ENGLISH: Correct.

MURMAN: OK. And all of the teachers and administrators and everything that are involved are certified for education, I assume?

SCOTT ENGLISH: Correct. One of the things that we did immediately is we made sure that every teacher was teaching in their content area. We also made sure that we were staffed complete, with every administrator to-- one administrator is at Lincoln, in two facilities in Lincoln. One administrator is at Hastings with the girls and I have one principal at Kearney. I don't have staffing issues. Understand, our teachers drive, in some cases, they drive an hour and a half, one way, to come and teach our kids. When I first came on board, we lost seven teachers a year. I-- at West Kearney, out of 25 teachers. Last year, I had two teachers come back that left us. And I can say at Kearney, right now, we have no staff leaving us, whatsoever. They're coming back next year. So we've, we've changed the culture and provided a safe environment for our teachers, as well. But we are fully staffed. We have the issue of math and science, of course. Everyone does. But as far as having our teachers teaching in the content areas-- understand, years ago, our kids were learning through packet work. So the question was how do we provide credit for kids who are working in packet work, packet work, in an algebra class? We no longer do that. We have direct instruction in every subject matter and that teacher is an algebra teacher. It used to be if you had, if you had one math teacher, then the other person could teach math. That's not the concept anymore. We are direct-- doing direct instruction in all our subject matters in all of our schools, the Rule 10's, anyway.

MURMAN: So before those-- that administrator-- administrators were positioned there, the individual students were, I guess, taught through their-- the school district that they last came from. Is that correct?

SCOTT ENGLISH: No. The Rule 10-- so, at that time, it had been Geneva and it had been Kearney. Kearney, those that are based on a special purpose agreement, those schools, through the NDE, those schools are

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able to graduate kids. So when they come to those schools, they could graduate from those two facilities. And, and, and now, what they do is they are working-- I'm sorry. Repeat your question again. I'm sorry.

MURMAN: Well, I, I was thinking before that new administration was established a couple of years ago, the-- like, they would graduate from their home school--

SCOTT ENGLISH: Oh.

MURMAN: --district rather than--

SCOTT ENGLISH: Correct. No, they would still graduate from, from those respective schools, Geneva and Hastings. Our Rule 18 is those kids stay attached to their, their regular schools and their districts. But understand, we have a huge issue with kids coming in, having been in school for two years and those districts don't even want to claim those kids. So we're fighting districts to make sure that we have a good transition period or you accept our kids. As we're moving to the special ed room, that's really where we're trying to get districts on board, to say, hey, we have-- you have to help us provide help with these kids' IEP. So we're making, we're making ground, as far as making sure the districts are respecting our credits and, and accepting the kids that are in their neighborhoods.

MURMAN: So have-- has graduation rates, I know it's only been a couple of years, but has graduation rates improved?

SCOTT ENGLISH: So what I'm trying to do is change the narrative of graduation rate. Because if you think about it, I'll have the conversation when our kids haven't been in school for a few years. They're lacking very deficient in credits. That doesn't equate to graduation. It really equates to what we're doing is making sure that we get kids on, on cohort to graduate. And that's what we're trying to pull the data, to say if this kid comes in and is deficient on credits, are we building up the cohort, but-- or what kind of percentage of credits did they achieve? So we don't even look at graduation rate right now because it's a false number, because that's not what we have at the-- the kids that we're dealing with.

MURMAN: So it's more like keeping-- getting the kids more involved with education or participating more.

SCOTT ENGLISH: I, I call it giving them a purpose in life, because of some of our kids don't even see-- school is not in their top-- it's probably not even in their top 20, as far as how it's going to--

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they're going to achieve in life. So we're trying to give them a purpose and give them understanding and wanting to be in school. It's an interesting dynamic because 80 percent of my, my student population is probably minority, but 100 percent of my teacher population is white. And so I love the fact that I can bridge that gap just in that alone, because I have, again, I have teachers who are working really hard to make sure these kids can achieve credits and find a purpose and want to work.

MURMAN: And in all of-- I think there's five, there's five or six of these campuses that we're talking about. There was 80 total?

SCOTT ENGLISH: Correct. There's 80 total. But again, that's pre-- that's after COVID. Before COVID, our numbers were, were pretty large. I don't recall. But if you have 135 kids at West Kearney, which is what we had, that's a huge amount. And understand, our kids, one of the significant changes we made to calm Kearney down was our kids didn't travel anywhere together on campus. They only came to school all together and their classes was whomever they went to school with. Now, we have them going just with the people they're with, so that-- the fact that our numbers are smaller helps, but that's, that's because of COVID and different other reasons and sending kids out-- to out of state, which is a whole other issue with us, with documentation and paperwork.

MURMAN: So if I understand correctly, because of the-- all the issues that are involved with, with these kids, it's, it's a better-- you think it's a better thing to administrate it through HH-- DHHS, rather than the education [INAUDIBLE]?

SCOTT ENGLISH: Senator Murman, it's because I'm there and we're creating a system. My goal is to make sure when I leave, the next person doesn't come in and just change what they need to change. They need a system there. And I think we're doing a great job. We made a lot of strides and we're doing good things right now. And, and our goal from when NDE, when Dr. Frison, Commissioner Blomstedt and CEO Smith sat down, that was the goal: what is the best possible program that we can put together with DHHS? And so, I don't look at it as DHHS is running the school. I know that's what's happening. But I look at, at us-- created the best school system for our kids who are educated. I communicate with NCYF, which is another principal down there when-- she got about 20 kids. I communicate with Boystown, because those are the only other facilities that operate like we do, as far as a Rule 10 [INAUDIBLE] schools. So I've, I've met with them and communicated with them to see what we can do for DHHS and change the narrative of what

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our schools look like and what our, what our kids look like when they leave us.

MURMAN: So it is a cooperative program between DHHS and NDE, sort of, is pretty much what you're saying, if I understand correctly.

SCOTT ENGLISH: Is it a cooperative program?

MURMAN: Yeah. You cooperate together.

SCOTT ENGLISH: No different than any other district. No different in any other district. As far as calling and speaking with the department head to see if we can have some type of training. NDE is a support for us and provides great support for us when we need them. But I have a lot, now, a lot of expertise inside the facility and people who really want to work best for kids. So NDE is a support for us, not so much as, as controlling what we do anymore.

MURMAN: OK, thank you. Any other questions? Senator Walz.

WALZ: I'm really surprised that nobody on this committee has asked this question yet. But can you tell me, so you are school superintendent for the Department of Health and Human Services youth facilities. What's your budget for education?

SCOTT ENGLISH: So that's, that's the new part that we're trying to figure out. That's an equation that we're trying to figure out. I sat down with COO and Commissioner Blomstedt on what that would look for us. So because my position is new and because this creation is new, we're trying to see what that budget looks like total, so I don't have those total numbers. I've even talked to Blomstedt when he was here, about us being part of the equation if we were a system, but then, we would have to become a school district. So right now, that's something we're working out, to see what that budget will look like regarding the schools.

WALZ: OK. So the department doesn't have a budget for the school program.

SCOTT ENGLISH: Each school has its own budget, but it's, it's, it's a little gray area right now. But each school has its own budget. But the-- our system, as far as I'm concerned, we don't have an educational budget overall and then I manage it. Not yet. That's something we're working on.

WALZ: OK. Thank you.

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MURMAN: Any other questions? Senator Linehan.

LINEHAN: You said a whole other issue about kids going out of state because documentation.

SCOTT ENGLISH: Just how we receive credits. Just how the credits that they achieve-- when we first got on board, one of the things that NDE and I dove into was what is a 1.25 credit? What is a two-three? You know, we had numbers that we just didn't understand. And so, sometimes our records don't come back as they should. And one of the things, I was on the committee a couple of meetings with Senator Arch for the LB708 and that is going to help us tremendously, because our kids, in the system, move faster than their paperwork. And so we don't have the paperwork half the time, but yet we have the kids. So we have to go back and figure out what did this kid take? And you have kids taking Algebra I maybe, four times. So we're trying to work through those deals and that's-- we get a lot when they come from out of state.

MURMAN: So I know there are kids in the juvenile system that go out of state for-- to facilities out of-- outside the state. How-- who is responsible for educating those kids?

SCOTT ENGLISH: That I don't know. The courts are the ones who send those kids. I just function on my YRTC youth and, and, and Whitehall, so that, I'm not sure, Senator.

MURMAN: OK. Thank you. Any other questions? Thank you very much.

SCOTT ENGLISH: Thanks. Thank you, Senator Wayne, for your comments.

MURMAN: Any other opponents for LB478? Any neutral testifiers for LB478? Senator Wayne, you're welcome to close. While he's coming up, there is, online, two proponents and zero opponents and zero neutral.

WAYNE: I, I will keep this short. I think what we just have to understand is DHHS is operating a school system throughout the state. I don't think I have to say anything else about it. It just sounds different. Weird. Interesting. Again, I've seen the work that's been going on. I think they're making huge improvements. But Senator Briese kind of hit the nail. We're talking about education and why do we need to hire and contract somebody, I think it's because we were talking about education and we need to find people in the education world. Now, I will push back a little bit. I think every school safety is number one. Don't think I don't think it changes. Education follows second. I-- but I also believe that we just need to have a broader conversation about juveniles in general. And again, the reason I left

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this committee, this bill in this committee, is because I think in the Judiciary we talk a lot about it, but people outside of that don't really pay attention. And I think we should have that conversation and I actually enjoyed it today. But yeah, DHHS-- I was going to call it a charter school district, but that will just inflame things-- districts throughout the state. Thank you. I look forward to working with the committee and all parties, kind of, to, to figure out this, this topic, because it is complicated. I don't-- it's just weird.

MURMAN: Are there any questions for Senator Wayne? If not, thank you very much. And that will close the hearing on LB478 and open the hearing on LB518. Senator Walz.

WALZ: I'm still thinking about the last bill that Senator Wayne introduced. Good afternoon, Chairman Murman and members of the Education Committee. My name is Lynne Walz, L-y-n-n-e W-a-l-z and I represent District 15, which is made up of Dodge County and Valley. Today, I am introducing LB518, which creates the Reducing Education Risk Factors and Property Tax Relief Act. That is a long name. So the purpose of LB518 is to provide funds directly to serve kids who are at risk. And this is an issue that we have talked about many, many times on the floor. Some of these risk factors include suspension, absenteeism, the need for additional instructional resources for math, reading and writing or assisting students that have learning disabilities or dyslexia. These are dollars that are directed to fund programs and reduce the risk factors affecting those students. Additionally, there are funds that are directed to address student-- I'm sorry. I can't-- I missed this. Additionally, funds directed to student risk will help close the learning gaps for students in our schools and remove barriers that prevent them from graduating. This is in line with our State Board of Education outcomes and intended to get more state aid to every school. The fund would be started using the unused credit balance from LB1107, the Property Tax Credit Incentive Act. It will also use funds from the annual gaming tax from casino gambling. As such, this program has sustainable revenue so-- has a sustainable revenue source and would ensure that state dollars are directed to the property tax relief via supporting education. Students are identified as candidates for reducing education risk factor programs using the criteria that is laid out in Section 2(1). The funding is also based off the number of students that are on free lunch or those who are living in districts considered sparse or very sparse. This allows all school, all school districts to qualify for these dollars. This bill would also require that each school district create the Reducing Education Risk Factors and Property Tax Relief Fund. The fund can only, can only be used for education programs,

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staff and services dedicated to reducing education risk factors. Property tax relief can be achieved through additional funding to pro-- provided to schools that is directed towards students struggling to meet state standards. These dollars will run through the fund outside of the TEEOSA formula. Through discussions over the interim, I really wanted a model that can help our K-12 students who are struggling in school and direct more funding to all schools in the state to support these students. And I wanted to do this while being mindful of taxpayer dollars. This is really meant to create a student-centered, outcome-based program that is truly focused on closing the achievement gap. We heard about funding models based on outcomes at the OpenSky Symposium last year and the idea really intrigued me. So I asked OpenSky to help, help me come up with some ideas. The approach that we have in front of us is one that's based on a school funding model in Kansas. I will try to answer questions for you, but we do have OpenSky coming up to help answer questions, as well.

MURMAN: Thank you. Any questions for Senator Walz at this time? OK. Thank you. Excuse me, Senator Linehan.

LINEHAN: OK. I haven't read the fiscal note, but how much money is this?

WALZ: The, the fiscal note said it cannot be calculated during-- at this time, due to unknown property tax credits and number of students that would be eligible for the risk factor program. So.

LINEHAN: So we don't have any idea.

WALZ: No.

LINEHAN: OK. Thank you.

WALZ: Um-hum.

MURMAN: Any other questions? OK. Thank you very much.

WALZ: Yeah.

MURMAN: Proponents for LB578 or LB518. No, LB578. No, LB518.

REBECCA FIRESTONE: Good afternoon.

MURMAN: Good afternoon.

REBECCA FIRESTONE: Chairman Murman, members of the Education Committee. My name is Dr. Rebecca Firestone, R-e-b-e-c-c-a F-i-r-e-s-t-o-n-e. I'm executive director of OpenSky Policy Institute. We are testifying in support of LB518 because this is a mechanism to direct more state support to schools, in a manner that is student-centered and outcome-focused. LB518 would direct more dollars to K-12 education through the Reducing Risk Factor Property Tax Relief Fund, in order to provide additional evidence-based instructional services to students experiencing certain risk factors affecting their learning and achievement and ultimately, their educational outcomes. OpenSky has long recommended that increasing the state's commitment to K-12 education is the most sustainable mechanism for providing property tax relief. LB518 is the first step towards addressing our property tax problem in a way that takes students' educational outcomes into account. Students experiencing risk factors are those not working at academic grade level, with a high rate of absenteeism, repeated suspensions or expulsions, identified as English language language learners or having been identified as students with characteristics of dyslexia. Funding to school districts would be based on the number of free and reduced lunch students in the district, as well as the number of students residing in sparse or very sparse school districts. We modeled the effects of LB518 and we estimate, estimate an increase in funding of \$617 million. I can talk through some of that modeling. I would say that this is flexible, based on the structure of the bill. This funding would go to every school district in the state. That aid would be deposited into each school's district's Reducing Risk Factor and Property Tax Relief Fund. And the aid could only be used for reducing risk factors, education programs for personnel, evidence-based programs and services contracted for these educational programs. Our intent is this fund is outside of the TEEOSA formula. OpenSky sees this fund as an opportunity for this committee to consider how to direct state funding to schools in a way that focuses on student achievement and outcomes. There's a robust body of evidence suggesting that many of the ways in which schools currently spend money can improve student outcomes. Student initiatives-- school initiatives that require resources, including smaller class sizes, additional supports and more competitive teacher compensation are positively associated with student outcomes. When schools have more funds, they have greater opportunity to spend these funds productively. Sustained improvements to the level and distribution of funding across local public school districts can lead to improvements in the level and distribution of student outcomes. Money alone is not the answer, but it is certainly a first step. And there's evidence to suggest an increase in per pupil

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spending, spending for all 12 years of public school leads to 0.27 more years of completed years of education and increase in wages. Ultimately, OpenSky believes that we need a comprehensive study of the needs of school districts to achieve desired school outcomes across the state and that is the best solution to our heavy reliance on property taxes in the state to fund K-12 education. We would encourage the Education Committee to invest time in exploring these types of-- this type of study and to bring more data into the debate on funding school finance. But we do believe that this fund is the first way to be able to consider how to focus on student outcomes. And with that, I'm happy to answer any questions.

MURMAN: OK. Any questions for Rebecca Firestone? Senator Linehan.

LINEHAN: Thank you very much, Ms. Firestone, for being here. And thank you, Chairman Murman. Why do you want it outside TEEOSA?

REBECCA FIRESTONE: First it's Dr. Firestone, just for the record.

LINEHAN: I'm sorry. Dr. Firestone.

REBECCA FIRESTONE: Thank you. Thank you. And the-- to have this outside of TEEOSA is to ensure, ensure that this is a resource that's provided to-- or these are funds that are provided by the state to all schools so they can direct-- sorry-- to all school districts so they can direct those funds to the students who need additional supports.

LINEHAN: So what formula would that be?

REBECCA FIRESTONE: There is a formula in the bill. It is based on the number of students on, on free and reduced lunch in the school district, as well as sparsity.

LINEHAN: Isn't that in TEEOSA now?

REBECCA FIRESTONE: There's certainly other factors in TEEOSA, as well. But those are, those are factors that are considered. But the idea here, to have this outside of the formula, is to make sure that this is a resource-- these are funds that can go to all school districts in the state that are specifically targeted, so school districts have the ability to support programs that are targeted to kids who need additional supports.

LINEHAN: So it's outside-- if it's outside TEEOSA, it wouldn't be included in their resources.

REBECCA FIRESTONE: That is the intent of what we are trying to do here.

LINEHAN: And it's \$617 million?

REBECCA FIRESTONE: That is our estimate of what it would potentially, potentially cost. I would say that based on the formula within the, within the bill, there's a certain flexibility that would be available to the Education Committee.

LINEHAN: So I went to your OpenSky thing. The speaker was very good and very helpful.

REBECCA FIRESTONE: Thank you.

LINEHAN: I don't remember them-- do they have a cost per student for like, let's say, high needs behind free and reduced lunch. Do they have a cost per student of what that would cost?

REBECCA FIRESTONE: We did not specifically get into that at our symposium. And in this, I would say this, this bill is designed to sort of starting-- start a conversation about focusing on outcomes and is not about, sort of, changing the underlying funding formula, necessarily. But what we, what we talked about at the symposium was that if you're going to come up with a broader state aid formula, you would look at what type of outcomes do you want to achieve as a school system, overall and on average, for the state? And after that, sort of figure out what it's going to cost, doing some cost modeling and that is, sort of, average cost. It's not necessarily targeted for like, special needs kids wouldn't sort of be this cost, kids of poverty are this cost. It's sort of an on average, what's required, in order to meet a certain set of outcomes.

LINEHAN: Wasn't part of that presentation that money wasn't directly related to outcomes? If I remember [INAUDIBLE] went through some high outcomes, where they were spending considerably less money and where there were some-- they were spending a lot of money and the outcomes were low.

REBECCA FIRESTONE: I will say that the, the body of evidence, which I was just referencing here in my testimony, suggests that there is a relationship between funding and student outcomes. When you go down to the level of district per district, which is that analysis that we were looking at in the symposium. And I can pull up the, the, the, the figures for everyone here, if it's helpful. To meet certain outcome goals, which, for that analysis, was national average test scores.

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There are some school districts that are spending more, on average, than might be needed to actually achieve those average outcomes. The caveat there was for that particular analysis was using national average outcomes and which includes all states in the country. That includes states that are actually performing less well than Nebraska is on average. So, for example, like Arizona and Mississippi. So if you look at sort of how Nebraska does overall, across all 50 states in the country, we're doing well.

LINEHAN: But they spend a lot less. Arizona and Mississippi spend a lot less than we do per student.

REBECCA FIRESTONE: And they're also achieving a lot less. So.

LINEHAN: Like, it's half of what we spend.

REBECCA FIRESTONE: And if you also look at their achievements, they're also less. So, so the question is, sort of, what is the return-- I think the issue here is what's the return on investment that you're trying to achieve with your education funding?

LINEHAN: So what if, what if we spend the money and there is no difference in the outcomes?

REBECCA FIRESTONE: I think building in some good accountability measures would be really important, so you can actually track that. Without, sort of, accountability measures, I think it's hard to know sort of what your investments are actually achieving.

LINEHAN: OK. Thank you.

REBECCA FIRESTONE: Um-hum.

MURMAN: Any other questions? Senator Briese.

BRIESE: Thank you, Chairman Murman. Thank you for your testimony here today. We're talking in the bill about risk factor formula, risk factor formula students--

REBECCA FIRESTONE: I know. It's a mouthful.

BRIESE: --anyway, who makes that determination as to those kids, how many there are?

REBECCA FIRESTONE: So the school districts would have certain programs that would need to be verified and sort of vetted by NDE. And once

they have those programs in place, they would be allocated a certain amount of funding, sort of based on numbers of kids in poverty and sort of the degree of sparsity in the district. And then the school districts would have the flexibility to decide how to use those funds for those vetted programs.

BRIESE: But I think you look at poverty and sparsity and risk factor formula students, correct? Isn't that the--

REBECCA FIRESTONE: So the school district gets the funds on the basis of poverty and sparsity. And then those funds are eligible to be used for kids who have these certain factors, such as not reading at grade level or having a history of absenteeism and then, the school district is deciding how to use those funds. It's specifically targeted to the kids who have these risk factors.

BRIESE: OK. But when we look at those risk factors, isn't there an enormous correlation between poverty and those risk factors?

REBECCA FIRESTONE: There is a strong correlation, but correlation is not causation. And, and the way that this is set up, is that there is flexibility for school districts to figure out how to direct, direct the funds to target-- to kids who need additional supports. Not necessarily just kids who are-- might be low income or poor, but kids who need additional supports in order to reduce the achievement gap.

BRIESE: And my-- and I guess my point is, does the existing TEEOSA formula address-- sufficiently address poverty-- high poverty districts with the poverty allowance?

REBECCA FIRESTONE: There's-- I think there's probably a conversation to have about how they can interact. But this is, again, I'll just say that this-- the, the funding, the model here is designed to provide additional funds to school districts so they can target kids who need those supports, which-- so it's not necessarily about you know-- I mean, like TEEOSA, you're, you're adjusting funds that are given to school districts on the basis of poverty and, and other factors overall, but not necessarily saying how the school districts are going to be able to use the funds.

BRIESE: Is there a general opinion that schools in Nebraska are underfunded?

REBECCA FIRESTONE: If you look on average, no, we actually do-- well, we do quite well on national average outcomes. We also put a lot of money into our system. What those funds are actually designed to

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achieve in terms of educational outcomes is not yet actually a conversation we've really fully had in this state.

BRIESE: OK. Governor had a group of mostly education officials, but Senator Sanders and myself were there. And I don't recall really ever hearing a concern, a concern expressed by schools that they are, quote unquote, underfunded.

REBECCA FIRESTONE: I'm trying to understand the question what you're trying to get at here, Senator Briese.

BRIESE: Well, that goes back to my previous question, is there, is there an idea out there that schools are underfunded in Nebraska? And I think the answer tends to be no when you talk to most folks.

REBECCA FIRESTONE: I think the question is sort of funding to achieve what ends. And that's the really-- that's a really key thing, I think, for us as a state to be grappling with, because funds can be used for a lot of different purposes. But on average, how are we doing in terms of making school-- assured that our students are workforce ready, have the types of graduation rates that we're looking for and are those funds being used well in order to achieve those outcomes?

BRIESE: So maybe your concern goes more to how schools are utilizing their existing, existing funding, not, not addressing some of the problems that they have.

REBECCA FIRESTONE: You know, we have a large debate, in this state, about how exactly we're paying for, for schools. And I think it's, it's-- this is not about trying to say that schools are underfunded or schools are necessarily under-- underperforming. But we're having a lot of conversation about how do we pay, as a state, for schools and you know, what's the balance between state aid and property tax relief and what's the, sort of, state-local relationship there? And, and I think what, what we're trying to suggest is that the conversation needs to be on how to-- how is there collaboration at the state and local level in order to assure that our state-- that our students across the state are performing and achieving at the, at the levels at which we're hoping to achieve?

BRIESE: OK. Thank you.

MURMAN: Senator Conrad.

CONRAD: Thank you so much, Chair. Thank you so much, Dr. Firestone. And maybe just to follow up on Senator Briese's line of questioning,

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just to make sure I understand Senator Walz's proposal here. It's, it's kind of maybe, like a yes and TEEOSA and this proposal, they work collaboratively to continue the work that TEEOSA is meant to do: funding our public education system, reducing pressure on local property taxes and then it kind of adds another layer or complementary kind of program to have more specific standards and make additional investments where we see schools falling behind. Is that kind of a rough--

REBECCA FIRESTONE: Yeah. I--

CONRAD: --understanding [INAUDIBLE]?

REBECCA FIRESTONE: --thank you. I think a great way to think about this is yes and--

CONRAD: OK.

REBECCA FIRESTONE: --that this is a way to direct additional state aid into supporting school districts, along with the funding that's received through TEEOSA and other, and other state aid mechanisms in such a way that we're really focusing on trying to close the achievement gap. And, you know, we, we were looking around for models of how to do that. And we were looking to, to our neighbors to the south and so, this is something that we're actually borrowing from work in Kansas.

CONRAD: That, that makes sense. And then, I think, maybe, also, I just wanted to tease it out a little bit more from your testimony and, and Senator Briese's line of questioning. Is there duplication or redundancy for some of the risk factors identified in this measure and the TEEOSA formula? Is that purposeful? Is that in order to trigger this additional level of investment? Can you just help me understand, kind of, how these specific risk factors were selected? Maybe it's based on the Kansas model or, or other research or scholarship that you've drawn upon, but can you help me understand how these risk factors were selected? And then the second question is, is that redundant or duplicative to certain aspects of TEEOSA or not or purposefully? OK. There's like 800 questions there.

REBECCA FIRESTONE: Sure.

CONRAD: Every one of them.

REBECCA FIRESTONE: OK. So I think it's designed to be sort of complementary--

CONRAD: OK.

REBECCA FIRESTONE: --to TEEOSA and, and the, the poverty factors that are, that are determined, within TEEOSA, how equalization aid is distributed. So I think yes and. And the specific risk factors by which students would be eligible for this type of programming were, in part, borrowed from looking at work in Kansas, as well as, sort of, looking at the evidence base, about what types of students, sort of, need additional learning supports within schools.

CONRAD: OK. That's really helpful. And then just the last piece to make sure I understand is, I mean, obviously, this has been a long part of our discussion about school funding and educational policy in general, over many years, over many generations perhaps and including this year in the Legislature. And when we do hear about frustrations with outcomes, you know, this is meant to really respond to some of those concerns that have been out there, so that we can do more perhaps, than just basic maintenance if a school or a district is falling behind. We can infuse resources. Is that kind of the general approach here?

REBECCA FIRESTONE: Yes. I think that, I think that is, is to know that there are, there-- within any school district in the state, there's going to be kids who are potentially at risk of falling behind on their, on their learning and on achievement goals. And this is a mechanism by which the state is able to provide additional supports. I think-- I will also add that I think the assumption the-- that part of what's built in here is as the state is directing additional resources to schools, that's also sort of reducing the burden that school districts have, in terms of relying on local property taxes.

CONRAD: OK. That's very helpful. And then, just one final kind of big picture question. And if you have a, a general response or if you want to dig deeper into the scholarship, I'm just-- and maybe Senator Linehan was getting after some of this, trying to get an understanding about the efficacy of the policy approach, in terms of carrot versus stick. So if a school is falling behind, do we remove resources as a more punitive kind of approach to send a message or redirect to something that is working or does that send up a red flag that we need to infuse resources? You know, just kind of trying to, to get an understanding up there. And I think there's legitimate points of view in terms of the best approach there, that we always struggle with, in, in the policy arena. But if we remove resources from schools that are struggling, it seems harder to meet the student outcomes that we want to see. So I'm, I'm thinking this is probably the flip side of, of

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that coin, to remove resources as an accountability measure versus infusing.

REBECCA FIRESTONE: Yeah. So I guess what I can say is I was sort of looking around for some evidence about the relationship between funding and student outcomes. And I would say there, there is robust evidence that on average sort of more funding that goes into schools so-- is going to need to happen through a mechanism of like, how this-- how schools use that funding is really crucial. But certain interventions like, you know, recruiting and retaining high quality teachers, making sure that there's additional learning supports for kids who need those supports, early childhood education, if you're making, if you're making and-- if the funding is going into those types of programs which are efficacious in helping students learn, then they're end-- that's going to end up resulting in students doing well in school on a certain set of outcomes that you might have. It's reading at grade level, it's, you know, high graduation rates, etcetera. So that's where I was looking at a review of, sort of, what's the relationship between school finance reforms and educational outcomes. And the top line result is that more dollars over 12 years of education leads to a 7.25 percent increase in wages, for learners who are completing schools. So more funding leads to higher earners overall.

CONRAD: OK. Thank you so much. Appreciate it. It's an interesting idea.

REBECCA FIRESTONE: Yeah.

MURMAN: Senator Linehan.

REBECCA FIRESTONE: Um-hum.

LINEHAN: So, I think-- I'm trying to figure out the math. Would you-- maybe the highest would be 50 percent of the children would be at risk. Would you say that's a high number, 50 percent?

REBECCA FIRESTONE: Let me just check and see the details of the modeling that I have. Potentially, I would say-- I would, I would, I would want to just qualify [INAUDIBLE].

LINEHAN: Well, [INAUDIBLE] percent for free or reduced lunch, so.

REBECCA FIRESTONE: OK.

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LINEHAN: So, 700-- \$617 million would be another \$4,000 per kid. So [INAUDIBLE] how would this affect property taxes?

REBECCA FIRESTONE: So I, I think by directing additional resources into schools that are-- additional state resources into schools, then our assumption is that the schools have more dollars coming in from the state, so that that can lead to reductions in how they're funding from property taxes.

LINEHAN: I see. But you would agree \$617 million is about \$4,000 a child, in addition to what we're spending now.

REBECCA FIRESTONE: That sounds about right. I will note, though, I have been looking around at other states and sort of how much other states provide in foundation aid, as part of their education finance formulas. And I'm looking at numbers that are like, from \$4,000 to \$6,000 per student in foundation aid.

LINEHAN: Well, this isn't foundation aid.

REBECCA FIRESTONE: This is not foundation aid, but I'm just-- this is on top of it.

LINEHAN: This is on top of all of it. So we were--

REBECCA FIRESTONE: So--

LINEHAN: --at \$14,500 today, is what we're-- about average on what we spend per child, in public schools in Nebraska. So you are saying with this bill, that we need to spend another \$4,000 per student, for 50 percent of the kids in the state. So we'd be at over, you know, almost \$20,000 a student.

REBECCA FIRESTONE: --so this was an initial estimate. Happy to-- and we were trying to run the numbers to get a handle on that. Yeah.

LINEHAN: No, but I mean that's-- but those numbers. Right? Those are the numbers.

REBECCA FIRESTONE: Sure. Those are the numbers. Those-- that was-- there is a weighting factor that's in the formula that's in the bill that it would certainly be adjustable, on the basis of the Legislature and how many-- how-- what additional investments the Legislature would like to make, in terms of state aid.

LINEHAN: Thank you.

REBECCA FIRESTONE: Um-hum.

MURMAN: Any other questions? Thanks a lot for your testimony.

REBECCA FIRESTONE: All right. Thank you.

MURMAN: Any other proponents for LB518? Any-- are you a proponent, proponent?

SHIRLEY NIEMEYER: Yes.

MURMAN: OK. Thanks.

SHIRLEY NIEMEYER: Yes. Thank you. Senators, I'm Shirley Niemeyer, S-h-i-r-l-e-y N-i-e-m-e-y-e-r, and I support this bill to address some of the needs of at-risk youth. Let me get my notes here. I think when we asked the questions about funding, as I look at the students who might be classified as at risk and all the kinds of things that are likely to be part of that, I-- some of this is going to take one-on-one teaching. I, I really think or-- and some of the needs to be addressed are going to have to be outside the classroom with clinical professionals and with mentors and with the parents. You know, a problem can't be solved by going at one part of it. It has to have all of the components and perhaps, adding a component about cooperating with parent, legal, legal guardian, foster parent, when that's possible. But from what I've heard, sometimes it's extremely difficult, because of parents working or they're not interested or-- so I think that's part of this. And I couldn't-- I don't understand quite why this sparse population figure is in here, unless they don't have the other, you know, they don't have the psychologists, psych-- psychiatrists, the other fields present in the county. And I can understand that part. So I wasn't quite understanding how that fit in. One of the things I've read in a couple of research studies is that the reason-- students do better when they stay in the same school, much better, rather than moving, moving, moving. And so that's part of it. And I think the other part of it is, you know, funding. What is adequate funding? I have-- I'll hand this-- I'll, I'll give this-- I didn't make copies because I didn't know I was going to testify. This is a change in starting teacher salary compared to inflation. School districts are going to have to pay more for teachers to get them to come to the district, because there is a shortage. And some are not going into the field because of the stress and some have retired. Baby boomers are retiring and people are quitting. So, you know, some of that funding will need to go to hiring teachers, just to fill the spots that are vacant. So I think this is a great bill for trying to

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address-- excuse me, trying to address at-risk children. You know, but I think it takes, also, the whole community. Thank you.

MURMAN: Thank you. Any questions for Ms. Niemeyer? Thank you very much.

CONRAD: Thank you.

SHIRLEY NIEMEYER: Thank you.

MURMAN: Any other proponents for LB518? Any opponents for LB518? Any neutral testifiers for LB518? Online testifiers are two proponents, zero opponents, zero neutral. Senator Walz, you're welcome to close.

WALZ: Thank you. I'm going to make this very short and sweet. Again, you know, this is-- closing the achievement gap is something that we talk about and we talk about and we talk about and we talk about. I don't have a solution, but I thought it was important that we started a conversation about how we could include a possible outcome funding model to address the needs of at-risk students. So, I'm open to any other conversations or communication. I'm also open to perhaps doing an interim study on how we can directly affect the needs of at-risk students in our schools.

MURMAN: Thank you. Any questions for Senator Walz?

WAYNE: I move LB518 to the floor.

LINEHAN: We're not [INAUDIBLE]. You got to notify it.

MURMAN: Thank you--

WALZ: Thank you.

MURMAN: --Senator Walz. That will close the--

CONRAD: That was historic.

MURMAN: --the-- LB518, and close the hearing for the day.