

local level in relationship to the support of the public schools. What we are doing section by section, I will go through this hurriedly because you all have a copy in front of you. If you don't I have a few extra copies here at my desk and I will be happy to give them to you but the flat dollar amounts have been changed to an index system and I think that is important and these are contained in Section 4 and 6 of the white copy that we are speaking to. The other problem we have had in the last year particularly, is the anxiety of some schools as it pertains to the non-resident tuition and probably the one system that has made it the most knowledgeable to the public is the Lincoln Public Schools who last year pretty much said, we will not take three hundred nonresident students into our system any longer because, in fact, under state aid it is penalizing us to do this. So what we have done to correct this matter is that all your high school systems which accept nonresident students, they will count as accountable receipt only that amount above 125% of their per pupil cost. For instance, if it was \$3,000 they would count as accountable receipt, only \$1,250. \$1,750 would not be considered that because they are accepting the student for the purpose of providing an education nine through twelve. This has met with the approval of virtually all class one schools and I think this is an accomplishment because for the first time there is some agreement between the very rural aspect of education and the somewhat very urban aspect of education. That is in Section 8 of the white copy and this addresses the problem I think appropriately and the other thing we have done is to change the way we compute the state aid. Before we have always computed on figures that were very obsolete. Now we are saying that we can compute state aid accurately each year because we are going to take the financial structure of each school district based upon the preceeding year when it was gathered. It is accurate and we are going to take the number of students that you have as you report them to the Department of Education in October and this is the way you will get an accurate computation of state aid. Even each senator will be able to know exactly what each school system would receive and we are not going to talk about the dollars on this this morning. We are talking about the concept and the authorization and the formula itself because now if we adopt this bill you will have a bill no longer estimated by the Department of Education. It will be actually computed on accurate figures that are the most recent figures available and as a result the Legislature each year if you want to deal with an appropriation will know precisely what every school system is entitled to this time of the year in terms of state aid and that will be the first time that