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Appropriations Committee  
March 04, 2013

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[LB190 LB193 LB432]

The Committee on Appropriations met at 1:30 p.m. on Monday, March 4, 2013, in Room 1524 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB190, LB432, and LB193. Senators present: Heath Mello, Chairperson; John Harms, Vice Chairperson; Kate Bolz; Danielle Conrad; Bill Kintner; John Nelson; Jeremy Nordquist; and John Wightman. Senators absent: Tyson Larson.

SENATOR MELLO: Good afternoon. Good afternoon, and welcome to the Appropriations Committee. My name is Heath Mello. I'm from south Omaha, representing District 5, and I am the Chair of the Appropriations Committee. I'd like to start the day off today by having members do self-introductions, starting over to my right. Senator Tyson Larson from the 40th Legislative District, from north-central and northeast Nebraska, has a bill in another hearing and will be joining us shortly. Otherwise,...

SENATOR BOLZ: I'm State Senator Kate Bolz. I represent District 29 in south-central Lincoln.

SENATOR CONRAD: Danielle Conrad, north Lincoln.

SENATOR WIGHTMAN: John Wightman, District 36, Dawson, Custer County.

SENATOR MELLO: To my left and to your right is Senator John Harms from the 48th Legislative District, representing Scotts Bluff County.

SENATOR NELSON: I'm John Nelson from District 6, central Omaha.

SENATOR NORDQUIST: Jeremy Nordquist from District 7, downtown and south Omaha.

SENATOR MELLO: And next to Senator Nordquist is Senator Bill Kintner, from District 2, representing Cass County, parts of Sarpy County, and parts of Otoe County. Assisting the committee today is our committee clerk, Anthony Circo, and Jacob Fricke, who is a junior at Nebraska Wesleyan and our committee page. To my right and your left is Sandy Sostad, our fiscal analyst for this afternoon. In the corner of the room you'll see some yellow forms. If you're planning on testifying today, please fill out those forms in its entirety. It helps us keep an accurate record of today's hearing. When you come up and testify, please give Anthony the yellow sheet. When you sit down, please tell us who you are and spell your first and last name for the record. If you have any paper handouts, please give them to our page before you begin. We ask that you have 11 copies. If you need more copies, we will help make them for you. If you're here today and you're not planning on testifying but would want to be on the record as having been

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here, there's a white sheet on the back table. We ask that you sign in on that and tell us your name and address, the bill number, and if you're here in support or opposition. We will hear bill testimony in the following order: first, the introducer of the bill, followed by supporters, those in opposition, neutral testimony, and ending with the closing statement by the bill introducer. We will be using a five-minute light system today. There are lights in the front of the table. When you start, the light will turn green. When you have...then, when the yellow light comes on, that is your one-minute warning. And when the red light comes on, we ask that you wrap up on your final thoughts. At this time I'd ask all of us, including the senators, to please take a look at our cell phones and make sure they're on silent or vibrate mode. And with that, we will start today's hearing with LB190 by Senator John Harms. [LB190]

SENATOR HARMS: (Exhibit 1) Senator Mello, thank you, and, colleagues, thank you for giving me the opportunity to be here. My name is John, J-o-h-n, N., Harms, H-a-r-m-s. I represent the 48th Legislative District, and today I'm here to introduce LB190 to you for discussion. And first, Senator Mello, thank you for the opportunity to be here and to discuss a topic that I have some very strong views about and feelings about. You know, colleagues, as we have gone through our 2013 budget priorities, and 2014, as we start to build this budget, you know, we face the priorities of trying to decide what is going to move Nebraska forward, what's going to happen to Nebraska, and what's important to Nebraska. And we really have the opportunity that we make the difference. The priorities we set financially drives this state in the direction that we think it should go. And, you know, we wrestle with things such as K-12. We wrestle with things such as higher education. We wrestle with things such as, you know, behavioral health and expansion of Medicaid, and that list goes on and on. And early childhood education is no less significant, and I think it's extremely important to have the discussion. In fact, I think it's so important in considering that the first three of five years of a child's life will affect their education. It has an impact on their employment. It has an impact on the interaction with the community, as well as the rest of society, for their entire future. That's how critical it is, and that's the impact that we find with children who have early childhood education and development. And the tragedy is for those who don't have it. We cannot afford to ignore the cost, and we cannot afford to ignore the consequences associated with not properly developing our young children inasmuch that we can profit from this benefit. And the cost is just entirely too high for the state of Nebraska to continue to walk this pathway that we're walking today. These costs come from the...in the form of crime. They come in forms of remediation and lack of training or sufficient skills in a work force where employers are not getting adequate expertise and knowledge from employees and crucial job openings or positions. In other words, the standards of the work force pool drops considerably. And our output is not effective as it could be or should be in this great state because of the one thing: Our children are not coming into our public schools prepared. With improving and with improvement in early childhood education, the outcome is more stable communities. It's reduction in crime. It's less dependence on welfare and greater social cohesion. That's critical, I think, to

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our state. Social and brain development begin in the early stages of a child's life. And if a child is behind, even before they start, they never get caught up. Here's a child here who has not had that development. Here's the public school's or a private school's standards for kindergarten. And as we move, we just move like this. The chance of that child ever catching up is small. In many cases, it just probably won't even happen. So let me just give you some of the trends and...that are happening in Nebraska so that maybe this fits together better for you. There are nearly 60,000 children, from ages...from birth to five where 39 percent of the children growing up in Nebraska, they're going to go into our school system, are going to fail. They don't have the skills. And you know what the sad thing about this is? It's growing so rapidly it's frightening. It's moving so rapidly and the numbers are getting so much larger that it's actually frightening to see what's happening to our schools and where our society is going to be and what's going to happen in Nebraska. According to the U.S. Census, in the last ten years the birth-to-five population of Nebraska increased about 13,602 children. That's good news. They're growing. But the bad news is that, of that 13,602 children, there are too many that are going to be at risk. Of that, there's a little over 11,000 children that are at risk at that time, coming into our system. I don't know how you feel, but it makes me sad to think that we have that many children, 11,000 plus, that don't have a chance, maybe not even have an opportunity to be successful. According to research done and conducted by the University of Nebraska in Omaha, with our State Planning Committee, and the 2012 policy briefs, Nebraska ranks second in the nation, at 75.2 percent, for both parents in the labor force with children under the age of six. That starts to tell you what the story is. That starts to tell you what part of the problems might very well be. And the sad thing about it is these parents, in many cases, have more than one job. They don't have the time to spend to nurture that brain development that maybe we had when we were children growing up. It's simply not there, and that's the tragedy. And that's one of the reasons why I became so much interested in introducing this legislation, because I think it's significant. I think it's important to this state and for our future and our progress in this great state. So as you start to think about our priorities that we've talked about here for...since we started here in January and the good discussions that we've had about where we want to go, I want you to take just a moment and I want you to think about how this bill should fit into our priorities of the future, okay? I want you to think about that. I'm going to give you some information to help you walk through this pathway with me. First, our at-risk numbers are growing. They're growing rapidly. In fact, if you would like, at the end I can tell you, in each of your districts, exactly what's happened to you in your districts from 2000 to 2010 and what's going on in your districts and how many children you have in your district that are failing or will fail in the future. We need to think strategically about the future work force will look like. Well, we know that it's going to be a knowledge economy, and you're going to have to have more than a high school education. And with these children that are coming into our school system today, we know that the majority of those children, all 39 percent of those kids, probably will be earmarked not finishing school, not being successful in school, and so that's an issue. And the future economy is going to depend

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a great deal upon not a high school education, because that's not even going to be the bare minimum. It's going to be an associate's degree; it's going to be a diploma; it's going to be certain certifications; a bachelor's degree; maybe even a master's degree; or a doctorate. We also have to acknowledge that our teachers in our educational systems right today are placing a great deal of money to try and make up this deficiency. We're trying to correct it, but you can't correct it when it's already in the middle of it, when the child is...this is where the child should have gotten the information and the help to nurture their cognitive development and the skills that this child should have. We're not getting there. We're starting here and we're pulling those dollars in, and it's not working and it won't work. We need to be aware of what the consequences are of this, what the social consequence is, what the economic costs are going to be to this, addressing these deficiencies. They're high, colleagues, way beyond the \$10 million that I'm talking about today to you. The cost to this economy and the cost to our school systems are much higher than what we should allow. We also need to think about, as we look at this for the future, to draw upon the knowledgeable input from scientists in the brain development. I'm real excited about what I've been able to read and to study and to learn how good we've gotten in regard to determining, through science, where these children's minds develop and where they develop and all the kinds of things that take place. I wish I would have known that when I was a teacher. I would have taught a lot differently, but I didn't have any idea. So let's look very quickly at the science, a little bit about the research. Science and research on the development of the brain show that early childhood experiences, especially those in the first three years, build a foundation, and that's where the foundation is being built for a skilled work force and for a thriving economy. Neuroscience has identified a set of skills that are essential for school achievement and for preparation and adaptability to a flexible work force. These are, of course, the vital skills that so many Nebraska employers are seeking, and these are the skills that can be developed in our growing segment of the population between birth and three before beginning these first steps toward an education in Nebraska. These are also the skills that enable student achievement. They help children remember and follow multisteps instructions, avoid distractions, control rash responses, adjust with rule changes and persistent problem solving, and truly just manage their own long-term assignments. That all starts from zero to three. And I always believed that it was from zero to ten. That's what I was always taught. It's not. As aforementioned, it's not just student achievement. In the first three years our brains form a framework for decision making, teamwork, leadership, working toward goals, critical thinking, adaptability, and being aware of our own emotions as well as the other people's emotions. Once again, Nebraska businesses already know this. They already know the soft skills they need to have in the future, and that's why they've made some of the...a large investment of \$20 million to be a part of this program, because they understand it, they see it, and they know it. Where we failed is our side of the house. And for society the outcome is greater prosperity if we can get control of this in a manner that I think is extremely important. So how do you develop these skills? How do we go about developing these skills? Well, children need three critical tools to develop both school and workplace skills, and all

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three of these must be present during the first three years of their life. And they are, number one, they need a solid, stable relationship with adults that they can constantly count on. I'm going to repeat that. I don't want you to miss that. I know you're smart. They need solid, stable relationships from adults that they can consistently count on. You look at the children that are at risk, that is where the failure is occurring. Secondly, they need activities that promote healthy brain development. And third, they need a good and safe place to live, to learn, and to play, and unfortunately that's not true with a lot of our children. They don't have a safe place to learn or to play or someone just to put their arms around them and read to them and love them like they should have. The funding that we would provide in this \$10 million would help us start to develop this through the Sixpence Program. Let me talk a little bit about the Sixpence and some of the legislation that's occurred. In 2006 this Legislature, in a strategic partnership with the private sector, decided to act on the science and the potential benefits associated with it. This partnership led to the creation of an innovative statewide program that serves children from the ages of zero to three who are most at risk of failing in school, which came through LB1256. This public-private partnership or innovation, the Nebraska Early Childhood Education Endowment, commonly known as Sixpence, is funded from interest off of \$40 million from the Educational Lands and Trust Fund and \$20 million from the private sector. Sixpence is governed by six board members, Governor-appointed board. By statutory design the board brings together two very large agencies that so often sometimes work in a siloed manner. And I don't mean that in a negative sense, but it's true. The CEO of Health and Human Services and the Commissioner of Education are on this board, two representatives from the private sector, and two early childhood specialists. One comes from urban America, where there is a high number of children that are actually in an environment that's not healthy for them, concentrated poverty; and then for rural, the same thing. They come from a constant area of poverty or a concentrated area of poverty. The board distributes \$1.5 million in grants throughout the state, ranging from Alliance to Omaha to Santee to Crete to Broken Bow, Lincoln, Macy, Loup City, Plattsmouth, Walthill, and York, 11 total. These grants are made to school districts in partnership with local providers to provide quality services for the infants and for toddlers at risk in Nebraska. Sixpence was built on two fundamental concepts: one, higher education quality standards; and two, accountability. The higher standards reflect the three critical factors that develop education and work force skills in children, and presently there are 344...334 children enrolled in the Sixpence Programs right now--not nearly enough, colleagues, with the kind of problems that we have confronting us. The children who receive Sixpence services develop strong relationships with parents and caregivers. Remember, I told you that was one of the things that we had to accomplish. Sixpence is accomplishing that. They engage in activities that promote both their cognitive skills and their cognitive abilities and also the soft, work force skills are developed at this time through the program that they have. Their home and healthcare and their home care with children, that environment becomes a place where they can play, they can explore, they can learn, they can grow, and they can create. What a great combination. But we're short of

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that in over 30,000 children. We don't have that. They don't have a safe place to go. They don't have a safe place to play or to learn or someone to read to them. I don't know how you feel, but it makes my heart really heavy that when you go to the schools and you talk to the teachers and you look at these little children coming in. That says, you know, John, these kids are going to really struggle. They're...they don't have the skills for kindergarten. And by the time we get them to the third grade, we most likely will earmark them to fail. I don't know how you feel, but I can't take that. That bothers me tremendously. The children who receive Sixpence services develop, as I said, strong relationships with their parents. They engage in activities that promote both the cognitive abilities and all those sort of things. The 12 key parenting behaviors are assessed in building the relationship or promoting language and supporting confidence. The Sixpence parents are achieving positive gains in the areas that we...they need to, to develop their children. The Sixpence evaluation includes several measures involving parents, the home environment. We have found that 21 percent increase in parent-child engagement, both from the fall to the spring, are occurring. The independent evaluation that was demanded, by the way, by the private sector also shows that participating Sixpence families closed that gap, closed the gap in the ability to support their children's cognitive and their soft, work force skills development. So we know that Sixpence is working. The results statistically and the analysis that we can give you show that. The language gains are...and children participating in Sixpence have significant improvements. And the soft skills that I have talked about that's so badly needed in our world of work is also improving. However, Sixpence is currently only reaching 1 percent. Of the 30,000 children that fall from zero, or from birth, to three, we're only represent...we're only getting 1 percent of those children. So all the rest of the children that we have are at risk of failing. And, you know, I've had people come up to me and say, John, don't you think \$10 million is a little bold? Yeah, I think it's a little bold, but I think it's the right thing to do. I have looked at the research. I have studied the research. I've gone to workshops and seminars. I have talked to superintendents and counselors and teachers. I've talked with parents. I've talked with the business world. I've talked with all those people and they're saying very clearly, you know what, you were right on target, it's not too bold to ask for \$10 million. What you'll get with that investment is you'll get at least 10 percent of these children, from 1 percent to 10 percent of these children, will get out of that risk category. Well, 10 percent is better than 1 percent, colleagues. It's a start and it's a beginning. Now I understand that this is just not a Health and Human Services Issue or an educational issue. You know what it is? It's a future-of-Nebraska issue is what it is. Unless we address this issue, unless we have this discussion that we're going to have today, we have no hope for our children. We don't. The State Chamber often says, and I quote, strong economics and prosperous communities do not happen by accident; they are the results of bold ideas, hard work, and constant vigilance, end of quotes. Colleagues, the private sector already gets it. They understand what we have to have if we're going to turn this around and make this a better place to live and to be able to meet a global, changing economy. We're going to need to make this investment. I believe this is the smartest move that we could make for

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Nebraska's future. And I close with that, Mr. Chairman, and I'd be happy to answer any questions. I know there are people that are following me that are probably a lot smarter than I am, so I'd be very happy to visit with you if anything you have, any questions you'd like to have clarified. Or if you'd like to know where you rank in your districts, I can tell you. (Laughter) So however you want to do it. [LB190]

SENATOR MELLO: Thank you, Senator Harms. Is there any questions from the committee? Senator Conrad. [LB190]

SENATOR CONRAD: Thank you, Senator Harms. [LB190]

SENATOR HARMS: You're welcome. [LB190]

SENATOR CONRAD: Everybody in this Legislature and who is even a casual observer knows you to be a serious and eloquent and passionate lawmaker. But I'm not sure, in our seven years together, if I've ever seen you as passionate or as eloquent as you are today. And it's because of the importance of this topic, and thank you for bringing this legislation forward. [LB190]

SENATOR HARMS: You're welcome. [LB190]

SENATOR CONRAD: Senator Harms, I'm hoping that you might have an opportunity to comment on some recent developments as part of our national conversation. In the most recent State of the Union Address, the President brought the nation's attention to the area of early childhood education and talked about some of his ideas in regards to our future on that topic. As you noted in your opening, our state history predates that conversation, going back to at least 2006. [LB190]

SENATOR HARMS: Um-hum. [LB190]

SENATOR CONRAD: So, if you would, I just wanted to provide an opportunity for you to react to that and to...whether or not there is a correlation or a distinction there. [LB190]

SENATOR HARMS: Thank you. Yeah, I think there is a correlation to it. And I think he gets it, I think he understands it, and I think he knows exactly where this nation has to go. You see, I think Nebraska, even though we have 60,000 children...first of all, we have 150 (thousand) children that fall between the ages of zero to five. Out of that 150,000 children, we have 60,000 that are at risk. And if you go further down, from zero to five and from zero to three we have 30,000. Well, if you look at our state, compared to the rest of the nation we're much better off. They have places that are just staggering, the number. And I think what the President is trying to do and what his hopes are is that we'll attack this issue, that we can place the dollars in here to bring our children up to date with where we need to be. And I'm hoping that, as we get this thing established,

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that we'll have the opportunity here to make a difference in the children's lives and couple with whatever the federal government wants to do with this issue. But I think the fact that he's starting to talk about it, I think the fact that businesses, businessmen and women are starting to talk about it, we've got a chance of doing this. We've got a chance of maybe supplanting...not supplanting, supporting this through another outside dollars in the future. But I think you're right on target with what you're saying. [LB190]

SENATOR CONRAD: Very good. Thank you, Senator. [LB190]

SENATOR HARMS: Yeah, you're welcome. [LB190]

SENATOR MELLO: Senator Wightman. [LB190]

SENATOR WIGHTMAN: Thank you, John. It's excellent information. Again, I suppose everybody in the committee is going to be looking at whether \$10 million is the right amount. And I know your argument would be that it's probably low, but there will be arguments on the other side, I'm sure. [LB190]

SENATOR HARMS: Senator, I'm always up for the arguments and debates. (Laughter) [LB190]

SENATOR WIGHTMAN: I know that you always have been. [LB190]

SENATOR HARMS: Yeah, okay. [LB190]

SENATOR WIGHTMAN: Has our percentage of at-risk children been increasing in recent years or... [LB190]

SENATOR HARMS: Absolutely, John--excuse me, Senator Wightman--they have been increasing. Let me...that's a good idea. Can I just give you what at risk is? Okay, I think that would maybe help. You know, there's two schools thought on at-risk students. One is they come from a chronic...they're in chronic stress. They're in a terrible home environment, which we know is occurring, with the way the economy is today, even more than it has historically. They're either homeless, they have...their parents have a low education. Maternal depression sometimes creates this. They're in an environment that's depressing for the child where their child is developing their brain. And they found that child abuse, which is pretty high today, impedes that growth and that development of healthy neurons in the child's brain. That's one school of thought. Now if you want to get down to what the State Department of Education says, which is another, they say that children of low income, who qualify for the free- or reduced-lunch programs, is one. Two, children who were born prematurely or that were low in birthweight is another one. Children who reside in homes where language other than English is spoken. That's big in this great state, and it's getting larger across America. And children of teen parents or



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parents who have not completed high school...teen pregnancy is unbelievable. And so when you couple all of those things that I've just given you, Senator Wightman, it's growing, and it will continue to grow in the future unless we could start to make this correction at the front. I have always believed in...that the earlier you can intervene, I don't care what it is, the better off you are. An early intervention can make a difference. And, I don't know, I just have a passion for children, and it just saddens me to think that these kids don't have a chance, don't have the same opportunities. I had loving, caring parents. They weren't rich, but they cared. My mother made sure I did the homework. And if I didn't tell the truth, I was grounded for about a week because they cared. They were there. They read to me. They did all those things that you need to be as a parent. So much of that is gone today. The family circle is broken. It's broken down, and I don't know how you fix it. But early education will help us with that issue by catching these children early and then begin to start the training with the parents, because that's what Sixpence does so well. And I don't know if I answered your question or not. [LB190]

SENATOR WIGHTMAN: That answers it in part. [LB190]

SENATOR HARMS: Okay. [LB190]

SENATOR WIGHTMAN: I guess one of the things I didn't hear you say mentioned is the number of children that do not speak English and come into a school that is largely being taught, maybe, supposedly, 100 percent taught in English. But I know that's not true out at Lexington. [LB190]

SENATOR HARMS: Um-hum. [LB190]

SENATOR WIGHTMAN: There are a lot of them that have to continue to learn Spanish, and we have a great program out at Lexington. But how much of it do you think...I didn't hear you mention that, the language barrier, as being part of what you said. And I'm sure we've always had that, if you look back 100 years into Nebraska's founding, that we've always had that. [LB190]

SENATOR HARMS: But we have more international people here now than in the history of the United States. That's part of the problem. We have a lot of people who are here, and that's going to continue to increase because the simple fact is America is the hope of many people. It's the vision for many people. It's an opportunity for many people. So I think it will continue to grow, John. There will be...excuse me, Senator Wightman. There will be more and more people in the future. Unless we start to seal off our walls, it's going to continue to happen. [LB190]

SENATOR WIGHTMAN: Another thing that I don't think you mentioned as one of the keys, but the drug use, I think, is certainly a major, major problem with kids learning. And a lot of those kids, I think, come out of that with almost being addicts themselves,

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even though they've never touched the drugs. [LB190]

SENATOR HARMS: Yeah, that's the beauty. Senator, that's the beauty of the program is because we could pick those children up early. Before they get to kindergarten, we can pick those children up early to get them identified that this is a problem and then start to help that child get that problem addressed. Right now they go unchecked. They zip into the public school system. The public school system is struggling on what to do. We're pouring dollars in there, and the child is here and they're over here at the starting point. And that will change, I think. I think we'll see a better opportunity here to make those kind of corrections. But you're absolutely correct. I think drugs do have a big problem. You have teen pregnancy is a big problem, parents who don't have a formal education, who only have a high school diploma is a big issue. All of that fits in together, John--or Senator Wightman. [LB190]

SENATOR WIGHTMAN: No, that's fine. (Laugh) [LB190]

SENATOR HARMS: I apologize for that, Senator. [LB190]

SENATOR WIGHTMAN: Thank you. [LB190]

SENATOR MELLO: Senator Kintner. [LB190]

SENATOR KINTNER: Senator Harms,... [LB190]

SENATOR HARMS: Oh, I know this... [LB190]

SENATOR KINTNER: ...you know, since you were commenting on the President's policy, you want to comment on his \$1.6 trillion deficit? [LB190]

SENATOR HARMS: What would you like me to comment on? [LB190]

SENATOR KINTNER: Well, he's good? Bad? He's built it up, spent a lot of money. [LB190]

SENATOR HARMS: Well, that's probably true. But I'll tell you what, Senator, you know, when you get that caught into the number where we're talking about children and their futures and their lives, maybe we ought to give some of our spending up to concentrate there. I mean, you can make the decisions just right in here. If we want to, we can fund this at \$10 million. It's going to give something else up. But what is the important thing to have? What's the priority of this nation? Should be our children, and cut the other areas because this is what will give us an economy that will be competitive. This will give our children hope and an opportunity. And maybe we'll cut down on teen pregnancies and drug and alcohol abuse. And maybe we'll have an opportunity to be competitive in a

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world-changing global economy. You see, Senator Kintner, what's happened to us today is that, at one time, our educational system was the best in the nation. And now we're down like, what, 15th, 20th? I don't know now. We just keep dropping down because we have not been willing to put that involvement in, that kind of money in. So we can make it whatever we want our priority to be, and they can do the same. The nice thing about here is we're not bogged down with Democrat versus Republican. We're bogged down with what's the right thing and the right decision to make for Nebraska. That's the difference. [LB190]

SENATOR KINTNER: Good answer. You talked about building strong relationships with parents. Think back to Abraham Lincoln in a little cabin in either Kentucky or... [LB190]

SENATOR HARMS: That's a lot further than I can think back, Senator Kintner. I may look that old, but I'm not that old, okay? (Laughter) [LB190]

SENATOR KINTNER: Okay, well, I'm not (inaudible). But we know our history. He sat there by the firelight probably in either Kentucky or Illinois, and he took a piece of charcoal and he wrote on the head of a shovel. He was doing his lessons. How did he do that without the government helping him build a relationship with his parent? How did he do that on his own, teach himself to read? Had some schooling, had a little bit of schooling every year, not anything like we have now, but somehow he managed to educate himself. How did he do that without a government program? [LB190]

SENATOR HARMS: Well, I wish he was here so we could ask him that, but I can tell you that he was a gifted man. He was bright. He had all the skills. We're talking about children that don't have that now. And so he was gifted and bright and articulate. And I'm assuming you must have seen the movie, Lincoln. [LB190]

SENATOR KINTNER: Yes, I did. [LB190]

SENATOR HARMS: Yeah. [LB190]

SENATOR KINTNER: Absolutely. [LB190]

SENATOR HARMS: That was a great movie, man. It was. But that's my answer. He was gifted. You could see that. [LB190]

SENATOR KINTNER: We... [LB190]

SENATOR HARMS: But you'd have to see...the other side of it is, Senator Kintner, this is a much more complex world than it was then. We're in a rapid-moving society and world where technology and education and skills is going to drive the future. They didn't have any of those things. And if you could read and you could write and you could spell

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and you could express yourself, you did well. That's not enough today. [LB190]

SENATOR KINTNER: Ten million (dollars) versus \$8 million versus \$12 million, I...you may have gotten to this before I walked in. Where did we get the \$10 million number? [LB190]

SENATOR HARMS: Ten million is what we...what I felt was appropriate to begin to make an impact on the difference. Right now in Sixpence we have only...we're only getting 1 percent of the children out of the 30,000. By adding one...by adding \$10 million to that we would be allowed to get up to 10 percent. Now you also have to understand that the money that goes into these communities is matched, one-for-one dollar. So the \$10 million all of a sudden multiplies into \$20 million. So we're...they're not getting anything free. They're willing to match it, and that's where our business community gets involved in this whole aspect. It's important. So we're not saying...going in a community. They have to put some money up-front. It's a dollar-to-dollar match, which I think is great, personally. It's a buy-in from the community and people. It's not a free program. You've got to contribute. [LB190]

SENATOR KINTNER: Last question. [LB190]

SENATOR HARMS: Promise? [LB190]

SENATOR KINTNER: Hey, promise. (Laugh) [LB190]

SENATOR HARMS: Okay, all right. [LB190]

SENATOR KINTNER: Head Start was, by almost all accounts now, not the success we first thought it was. How is this different than the Head Start federal program and the things that we've done at the federal level? [LB190]

SENATOR HARMS: Well, the Head Start Program, one of the things we've found with the Head Start Program is that they just don't have enough room for the children that are coming forth. And with the Head Start Program they have found...this is what I think a lot of people are starting to key on. The children who have gone through the Head Start Program have been highly successful, and they have found that the cognitive languages have improved phenomenally over the children who did not have Head Start, okay? And so we just can't cover enough through the Head Start Program. And to be honest with you, I would rather have a program that we control ourselves and the cognitive development that we can answer for right here with Nebraska people. I mean, I'd rather do that than have the federal government come in and tell us what we have to do because I don't think that's the best answer. I trust the people that are in this room. I trust the professionals that are here. I think it's extremely important to be able to do this and to use Nebraskans, not somebody from outside. [LB190]

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SENATOR KINTNER: Senator Harms, I appreciate your passion on this issue. As you know from our private conversations, you know I don't think there is anyone who has been able to move me as far as you like this as you have. [LB190]

SENATOR HARMS: Well, thank you. [LB190]

SENATOR KINTNER: So I look forward to working with you on this. [LB190]

SENATOR HARMS: Thank you. [LB190]

SENATOR KINTNER: Appreciate it. [LB190]

SENATOR HARMS: Appreciate that. [LB190]

SENATOR MELLO: Senator Nelson. [LB190]

SENATOR NELSON: Thank you, Senator Mello. Thank you, Senator Harms. [LB190]

SENATOR HARMS: You're welcome. [LB190]

SENATOR NELSON: Just a comment: Abraham Lincoln was a gifted individual, but he also had a mother at home in his early years,... [LB190]

SENATOR HARMS: Yeah. [LB190]

SENATOR NELSON: ...father in agriculture and was there part of the time. [LB190]

SENATOR HARMS: Yeah, that's a good point to make, Senator Nelson. [LB190]

SENATOR NELSON: A lot of absentee parents in the home now,... [LB190]

SENATOR HARMS: Yeah. [LB190]

SENATOR NELSON: ...which leads me to this question: Where is most of this early learning carried on? By child providers? Care providers? [LB190]

SENATOR HARMS: Um-hum. [LB190]

SENATOR NELSON: Okay. How are... [LB190]

SENATOR HARMS: It's an actual...go ahead. I'm sorry. [LB190]

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SENATOR NELSON: Go. [LB190]

SENATOR HARMS: Sixpence is a program... [LB190]

SENATOR NELSON: Yeah. [LB190]

SENATOR HARMS: ...that they've already had designed, all the benchmarks and... [LB190]

SENATOR NELSON: How are the schools involved in this if we're using care providers? [LB190]

SENATOR HARMS: Oh, I think they...I don't know. You'll have to ask probably some of the people that would be coming forward how they're tied into that. [LB190]

SENATOR NELSON: All right. Okay. [LB190]

SENATOR HARMS: I think they are tied into it. A lot of them saw...could be attached to the schools. I think most of them are, but I think you...I'd rather have you get the right answer from the people who work in that field. That's a good question though, Senator Nelson. [LB190]

SENATOR NELSON: Will we be hearing from the schools today? [LB190]

SENATOR HARMS: You'll be hearing from people who is here. [LB190]

SENATOR NELSON: All right, and... [LB190]

SENATOR HARMS: And I don't have any idea. [LB190]

SENATOR NELSON: And Building Bright Futures, will they be here? [LB190]

SENATOR HARMS: I have no idea. I did not recruit people. [LB190]

SENATOR NELSON: Okay. Well, let me ask this question. We're going from age one to three in these early learning programs. [LB190]

SENATOR HARMS: Correct. [LB190]

SENATOR NELSON: How are we developing a strong relationship with parents? [LB190]

SENATOR HARMS: Well, the Sixpence Program actually does it. If you remember what

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I was talking about and laid out those concerns and issues that you have in the program, and one of them is a strong parent relationship. And what they do is they actually help the parents understand what they have to do. And the research shows, that I indicated, that they've had a 21 percent increase and improvement in that cognitive development and that relationship with the parents and the children. And that's a key... [LB190]

SENATOR NELSON: So do they parents come in? Do they come into the facility then, or do the people go out to the home and... [LB190]

SENATOR HARMS: You know, I don't know for sure just exactly how that exactly works, Senator. [LB190]

SENATOR NELSON: Okay, well, maybe someone can answer that for me later on. [LB190]

SENATOR HARMS: But I think people will come and can tell you that. [LB190]

SENATOR NELSON: All right. [LB190]

SENATOR HARMS: Those are all good questions. [LB190]

SENATOR NELSON: Okay, thank you. And so this money is in the form of grants. And it's going to the childcare providers for the most part... [LB190]

SENATOR HARMS: Um-hum. [LB190]

SENATOR NELSON: ...to enhance and, I guess, the word "help" them provide the highest quality of care. But we're...it's still basically childcare. They're dropping the kids off at an early age, and then they're picking up, right? [LB190]

SENATOR HARMS: Well, now, yeah, when you say dropping it... [LB190]

SENATOR NELSON: Nursery care. [LB190]

SENATOR HARMS: Okay. [LB190]

SENATOR NELSON: Well, I mean, somebody is bringing the children in at the beginning of the day so both parents can work,... [LB190]

SENATOR HARMS: Okay. Right. [LB190]

SENATOR NELSON: ...which is another thing that bothers me a little bit, why it doesn't

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seem possible for...or I understand the poverty programs and everything and all that they provide the 183 percent of poverty. But are parents absolutely doing all they can to subsist on one income? And do they have to have two? Are they really interested in the development of their children and at least one parent being with them? [LB190]

SENATOR HARMS: Senator Nelson, we're talking about very poor people. [LB190]

SENATOR NELSON: Yeah. All right. [LB190]

SENATOR HARMS: Well, you know, and when you look at the qualifications for the programs, we're talking about very poor people that have to have both incomes. Some cases have to have two jobs, not just one. [LB190]

SENATOR NELSON: Um-hum. [LB190]

SENATOR HARMS: These are people that have a very poor environment, don't even have the right kind of housing to live in. [LB190]

SENATOR NELSON: Um-hum. All right, it is an expensive program, and right now, well, like Sixpence is, what, 344? Do you know the total figures that we're serving of children around the state at this time? [LB190]

SENATOR HARMS: I just know the Sixpence is 344. [LB190]

SENATOR NELSON: Yeah. [LB190]

SENATOR HARMS: I don't know what Educare has in their numbers and other programs, but... [LB190]

SENATOR NELSON: All right, that answers some of my questions. [LB190]

SENATOR HARMS: Some of your questions. [LB190]

SENATOR NELSON: I'll probably have more as we go along. [LB190]

SENATOR HARMS: Well, we'll get the answers for you though. [LB190]

SENATOR NELSON: All right. [LB190]

SENATOR HARMS: Okay. [LB190]

SENATOR NELSON: Thank you, Senator. [LB190]



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SENATOR HARMS: You're welcome. [LB190]

SENATOR MELLO: Senator Wightman. [LB190]

SENATOR WIGHTMAN: Yes. Senator Harms, I have a couple of questions. You mentioned 150,000, zero to five. Did you have a figure on zero to three? I assume it's about the same percentage. [LB190]

SENATOR HARMS: Yes, I do. From zero to three, there is 30,000. [LB190]

SENATOR WIGHTMAN: 30,000. [LB190]

SENATOR HARMS: Um-hum. Now out of 150,000, Senator Wightman, that's the number of children... [LB190]

SENATOR WIGHTMAN: Right, 60,000 were at risk. [LB190]

SENATOR HARMS: ...that go from zero to five, 60,000 of those at risk from zero to five. And if you go from zero to three, it's 30,000. [LB190]

SENATOR WIGHTMAN: Thank you. [LB190]

SENATOR MELLO: Senator Kintner. [LB190]

SENATOR KINTNER: I've just got one. I just thought of something. (Laughter) [LB190]

SENATOR HARMS: I thought you said you were done. [LB190]

SENATOR KINTNER: (Laugh) Sorry about that. [LB190]

SENATOR HARMS: Okay. [LB190]

SENATOR KINTNER: I lied to you. What do you do with one-year-olds? When I was one, I think I ate, slept, and pooped, and that's about all I did. What exactly do you do with a one-year-old to get him ready for school? [LB190]

SENATOR HARMS: Well, I think that's what you should ask some of the experts that come in that are going to... [LB190]

SENATOR KINTNER: Okay. [LB190]

SENATOR HARMS: They're going to testify on it. There's a lot of things you can do just by reading and giving them all kinds of ways to deal with toys and all those things fit into

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that and the cognitive development. There's a whole series of things you go through to develop a child's brain. I'll let the authorities tell you so I don't misquote. [LB190]

SENATOR KINTNER: Okay, thank you. [LB190]

SENATOR HARMS: Okay, I do have, Mr. Chairman, an amendment to this bill... [LB190]

SENATOR MELLO: Okay. [LB190]

SENATOR HARMS: ...that I'd like to give you that allows us to, if we decide to go this direction, it allows us to make that transfer in dollars,... [LB190]

SENATOR MELLO: Okay. [LB190]

SENATOR HARMS: ...so there is no question about that later on. [LB190]

SENATOR MELLO: Okay. [LB190]

SENATOR HARMS: And I'm not sure that I will have the opportunity to close. I have two more bills. [LB190]

SENATOR MELLO: I see that you have two bills in Education, second and third, so... [LB190]

SENATOR HARMS: Yeah, and so I'll stay here for a little while, then I'll have to probably leave. [LB190]

SENATOR MELLO: Okay. [LB190]

SENATOR HARMS: Okay, thank you. [LB190]

SENATOR MELLO: Thank you, Senator Harms. That begins the opening...or ends the opening the LB190. We will now go to those testifying in support of LB190. Good afternoon. [LB190]

JEN GOETTEMOELLER: (Exhibit 2) Good afternoon, Mr. Chairman, members of the Appropriations Committee. My name is Jen Goettemoeller, J-e-n G-o-e-t-t-e-m-o-e-l-l-e-r, and I am here on behalf of First Five Nebraska to urge your support of LB190 and its inclusion into our state budget. As you know, Senator Harms is a strategic thinker and certainly a planner. We appreciate his vision and his leadership on this issue. I'm going to keep this very short for you. You have more information in front of you that hopefully you're going to find very helpful. It explains the science of the

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brain, how the brain develops in the first five years, and how the first five years literally shape the learning capacity for the rest of a child's life. I want to turn your attention to this map. This is a map of the number of children ages birth to five in Nebraska who are at risk of failing in school. These numbers come from the Census Bureau, and they are conservatively based on the NDE definition of at risk of failing in school. As you glance it over and find counties that are in your own legislative district, I want you to know a couple of things. Thirty-nine percent of all of the children birth to five across the state are at risk of failing in school; and second, 51 percent of these children at risk live in rural Nebraska. This is not just a north Omaha issue. This is a statewide issue with an alarming upward trend. As Senator Harms mentioned, the at-risk numbers are growing at a very disturbing rate. From the years 2000 to 2010, the population, birth to five, in Nebraska grew 13,000 children. But of those children, 11,000 of them are at risk of failing in school, 11,000 out of 13,000, and that's frightening. Think about what this means for school districts, for remediation and special education, for increased demands on public assistance, for Nebraska employers who need a twenty-first century work force. On Friday, the Lincoln Journal Star reported that Nebraska has one of the highest youth incarceration rates in the nation. We think there are problems now with TEEOSA and Medicaid and mental health? With the growing number of at-risk children in the state, we haven't seen anything yet. These problems and their fiscal costs will grow substantially if we don't intervene early, before these children get to the K-12 system, when science shows we can, in fact, change the game. This legislation invests in what works, it's accountable, it brings the private sector to the table, and it turns \$10 million into \$20 million with the local match built into the design of Sixpence. No other investment will yield as high of a return. This really is the smartest move we can make for the state and for Nebraska's future. So, in conclusion, I just want to urge you to include the full \$10 million per year into our budget. Be happy to answer any questions that you have. [LB190]

SENATOR MELLO: Thank you. Senator Wightman. [LB190]

SENATOR WIGHTMAN: Thank you for being here. I think you mentioned 11,000 out of 13,000 students. Is that of each age group, one year? [LB190]

JEN GOETTEMOELLER: So if you look across the ten-year spectrum, between 2000 and 2010, the census numbers show that in those ten years our total number of children birth to five has grown by 13,000 children, and that's good news for our state. [LB190]

SENATOR WIGHTMAN: Well, okay, that's the growth. [LB190]

JEN GOETTEMOELLER: That means our population is growing. That's the growth of the birth-to-five population. But of those 13,000 children, 11,000 of them are at risk. So if our growth is in at-risk children, we've got a lot of work to do. We just need to know what's coming. If we think TEEOSA and Medicaid and things like that are out of control,

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we need to know what's coming down the pike. [LB190]

SENATOR WIGHTMAN: How do you determine the number of at-risk students? Is that based upon what income the family has, or how do you determine? [LB190]

JEN GOETTEMOELLER: Right. So we use the Department of Education's definition of at risk. It does have the four criteria that Senator Harms mentioned previously. In order to make sure that we don't double count any child, because oftentimes a child, if they fall into one at-risk category they may be also in another one. And we don't want to double count any of those children, so the at-risk numbers are really based on the income levels. Being in poverty is really what makes a child have an uphill battle. [LB190]

SENATOR WIGHTMAN: And some of those students, I assume, have a very high intelligence quotient, if you were to determine that, some of them very low. Obviously they're not all at risk,... [LB190]

JEN GOETTEMOELLER: Sure. [LB190]

SENATOR WIGHTMAN: ...if you're basing that...you know, some of the families are much different than other families, I would assume, too,... [LB190]

JEN GOETTEMOELLER: Um-hum. [LB190]

SENATOR WIGHTMAN: ...as far as how much they're willing to spend of their time, whether it's just in the evening or whether it's all day long, if they happen to be home. So I guess I don't know quite how we get to the 11,000 and the 13,000 and the various numbers you're at. Now you said 13,000, 11 (thousand) out of 13 (thousand), or is that the growth, are at risk? [LB190]

JEN GOETTEMOELLER: That's the growth, 11,000 out of the 13,000 growth are at risk, yes. [LB190]

SENATOR WIGHTMAN: Now 13,000, compared to how many total kids that age, children? [LB190]

JEN GOETTEMOELLER: So I believe there are about 150,000 children,... [LB190]

SENATOR WIGHTMAN: From zero to five. [LB190]

JEN GOETTEMOELLER: ...birth to five, right, and 40 percent of them, about 60,000, are at risk. So...and if you want, I mean, if it's helpful for me to kind of lay out all of this on one sheet and sort of cite back to the census and those kinds of places, maybe that's

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easier, to see it on paper, than having us, you know, verbally bring this to you, I can certainly do that. [LB190]

SENATOR WIGHTMAN: So the 11,000 out of 13,000 students at...I've got a figure from what Senator Harms gave us of 60,000 students at risk. That's probably zero to five, is that correct? [LB190]

JEN GOETTEMOELLER: Correct. [LB190]

SENATOR WIGHTMAN: And the 11,000 out of 13,000 is what you consider to be at risk out of the 60 (thousand) or... [LB190]

JEN GOETTEMOELLER: No, no. All 60,000 are at risk. That represents about 40 percent of Nebraska's birth-to-five population. The 13,000 is just the growth in the total population of birth to five between 2000 and 2010. So I think I've got...I'll...I've got some other things in front of me that will make sure you're very clear on what the 11,000 is, the 13,000, the 30,000, the 60,000. I know there are a lot of numbers going around. [LB190]

SENATOR WIGHTMAN: Now, in determining at risk, you obviously aren't looking at each student and determining whether that student is at risk based upon their home life. And you look at their income, apparently, primarily. [LB190]

JEN GOETTEMOELLER: Correct, and those numbers come from the census, um-hum. [LB190]

SENATOR WIGHTMAN: So some of them probably aren't at risk because they have very active parents even though they may be of low income. Is that a fair statement? [LB190]

JEN GOETTEMOELLER: Yeah, I think, you know, to some level, parents are able to do more than others. And any time a parent is able to spend more time with their child and talk to them, read to them, all of those kinds of things, will certainly help them in their school performance, absolutely. [LB190]

SENATOR WIGHTMAN: But some of those you are determining to be at risk, I'm guessing, become outstanding students, whether they had any additional help in this regard or not. [LB190]

JEN GOETTEMOELLER: Sure, absolutely. [LB190]

SENATOR WIGHTMAN: Am I incorrect there? [LB190]

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JEN GOETTEMOELLER: No, no, I don't think you're incorrect. I think we just need to really understand how many children are going to face an uphill battle when they enter the kindergarten classroom if they don't have some good things going on in their life in those first five years. They're really going to struggle, and kindergarten teachers tell us on the first day that they know which students are really going to have a very difficult time in school and which ones are going to struggle and which ones are going to be able to succeed. [LB190]

SENATOR WIGHTMAN: Thank you. [LB190]

SENATOR MELLO: Senator Nelson. [LB190]

SENATOR NELSON: Thank you, Senator Mello. Thank you, Jen, for coming. [LB190]

JEN GOETTEMOELLER: You bet. [LB190]

SENATOR NELSON: You're representing First Five. [LB190]

JEN GOETTEMOELLER: First Five Nebraska. [LB190]

SENATOR NELSON: We've been talking about the first three years. Where are the kids in the fourth and fifth year? Are they also in a day care? Your... [LB190]

JEN GOETTEMOELLER: So would you like to know... [LB190]

SENATOR NELSON: Yeah, well, I would like to know...let's go back a little bit to the questions that Senator Wightman was asking. If I understand you correctly, most of the criteria here is based on poverty, I mean, as far as at-risk children. [LB190]

JEN GOETTEMOELLER: The at-risk numbers, right. [LB190]

SENATOR NELSON: So there's really no feasible way to assess where kids are in early learning, in, you know, those that are able to access that, is there? I mean, you're not talking to day-care providers and getting any indication from them, you know, where these children are, at what level their first three years. [LB190]

JEN GOETTEMOELLER: You mean assessing them early and all of that? Yeah. [LB190]

SENATOR NELSON: I'm sorry? [LB190]

JEN GOETTEMOELLER: Normally, children are not assessed until they get into the K-12 system. [LB190]

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SENATOR NELSON: Yeah, all right. Well, then how about years four and five? Is there any assessment there of where they are, I mean, as...are going to have difficulties by the time they reach the third grade? [LB190]

JEN GOETTEMOELLER: So different programs do measure. [LB190]

SENATOR NELSON: Okay. [LB190]

JEN GOETTEMOELLER: There are some programs that work with both infants and toddlers; there are some programs that work with that preschool age, that four- and five-year-old age, and so they have some measurements of are they able to catch those kids up if they are behind or are they going to be able to start school on par with their peers. [LB190]

SENATOR NELSON: Okay. [LB190]

JEN GOETTEMOELLER: Is that what you're asking? Or maybe I'm misunderstanding. [LB190]

SENATOR NELSON: Well, measurement is a better word, I agree, better than assessment. [LB190]

JEN GOETTEMOELLER: Okay. [LB190]

SENATOR NELSON: So those measurements, then who has access to those? And are they used at all? [LB190]

JEN GOETTEMOELLER: There are some great measurements that really do tell us. And I do think there are some people that will be coming up testifying that will be able to tell you exactly what kinds of measurements that Sixpence uses. The private sector does demand evaluation. They have put forward \$20 million of their own money, and they want to make sure that what they're getting is something good. They want to make sure that these children are going to be starting school on par with their more advantaged peers. So that's an important piece of Sixpence. [LB190]

SENATOR NELSON: And are they able to measure their success of the one-through-three cohort? [LB190]

JEN GOETTEMOELLER: There are some things that you can do, uh-huh,... [LB190]

SENATOR NELSON: Okay. [LB190]

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JEN GOETTEMOELLER: ...to know how children are doing in those first three years, yes. [LB190]

SENATOR NELSON: Okay, and...but I mean as far as when they get into the fourth and fifth, prekindergarten, into those programs. [LB190]

JEN GOETTEMOELLER: Um-hum. [LB190]

SENATOR NELSON: Are they able to differentiate between those kids that have gone through the early... [LB190]

JEN GOETTEMOELLER: Oh, I believe so, Senator. [LB190]

SENATOR NELSON: Okay, all right. [LB190]

JEN GOETTEMOELLER: Yeah, absolutely. [LB190]

SENATOR NELSON: Well, maybe we'll hear some more about that too. Thank you very much. Thank you, Senator. [LB190]

SENATOR MELLO: Senator Kintner. [LB190]

SENATOR KINTNER: Hi. [LB190]

JEN GOETTEMOELLER: Hi, Senator. [LB190]

SENATOR KINTNER: Well, what do we do with the one-year-olds? I asked Senator Harms that. He wasn't sure. So do you...what exactly do you do with a one-year-old? [LB190]

JEN GOETTEMOELLER: You know, someone else is going to answer this question. [LB190]

SENATOR KINTNER: Okay. [LB190]

JEN GOETTEMOELLER: I will give you a little bit and just say, you know, a lot of us who have grown up with very engaged parents think of things as kind of common sense. You know, when my children were little, I held them in my lap and I turned and had them face me. And I talked to them, and they couldn't talk back to me using words. But, in fact, they were talking back to me. They were smiling, they were cooing, and they were babbling, and they needed me to look into their eyes and smile back at them. There's something that the neuroscientists call contingent reciprocity. It's really kind of a serve-and-return nature of interactions that happen between parents and their children.



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And some parents don't know or don't have the time because they're thinking about, what am I going to put on the table for supper tonight, how am I going to get to work, what is the best schedule run because I've got to get to two jobs. And so they're...they've got a lot of things on their mind. And sometimes they don't necessarily remember to be very intentional. There are some things that are very simple, but you have to be intentional about the ways that you're interacting with your child. And so it is not putting a one- or a two- or a three-year-old at a little desk and teaching them how to hold a pencil and what the alphabet is and learning how to spell their name. All of that stuff can come in kindergarten, and that's great. But it's the playing, it's the getting on the floor with your child. And as they're building blocks, it's letting them lead you in that play so that you can really play with them and follow their lead and build on their vocabulary and tell them what they're seeing and help them start identifying their feelings, because maybe they're mad and you have the block that they want to play with and they hit you over it. So if you can help them understand, you might be feeling mad right now, sometimes that happens when someone is feeling mad, they might hit you. And helping them give a name to their feeling is really, really important. So a lot of these things you and I, Senator Kintner, might think are very common sense, and some parents just need some help because they have a lot of things going on in their lives. And they're great parents, and they need someone to just help them be a little bit more intentional about what they're doing. [LB190]

SENATOR KINTNER: Well, if I hit my parents, I got spanked and that never happened again. (Laughter) How did we handle that in America 100 years ago, 140 years ago, on the plains of Nebraska? There was no government program to teach a parent to hold their kids and talk to their kids and play with their kids. How did we do it before the welfare state? [LB190]

JEN GOETTEMOELLER: How did we do it before the welfare state? [LB190]

SENATOR KINTNER: Yeah. How did we ever survive before the government program and the government worker and a government program? How did we do it back then? [LB190]

JEN GOETTEMOELLER: Well, we must have done something right because you and I are here. But I know what we do now is...Sixpence is not just a government program. It is a public-private program. It's really a parent program for kids that government can invest in. It's a parent program and a child program, and the government just has to...just happens to be one piece of the investing behind that. It's a program that works. [LB190]

SENATOR KINTNER: I was sitting here, looking at these numbers. I was a little worried about it when I saw, jeez, Morrill County, 69 percent of kids are at risk there. And then Brown, 62 percent. And then I got to my county. It's 23 percent in Sarpy County. It's

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outrageous. There's no way. And 32 percent in my Cass County, it's my main county, and Otoe County is part of mine and part of Senator Watermeier's, 51 percent. [LB190]

JEN GOETTEMOELLER: Um-hum. [LB190]

SENATOR KINTNER: And then I talked to my poverty consultant here, and he said it's a...these are based on the government; 185 percent of poverty would define at-risk kids. [LB190]

JEN GOETTEMOELLER: Yes, they are, Senator. Yes, they are. [LB190]

SENATOR KINTNER: So it's not your definition, it's the government's definition, the federal government's definition, okay. [LB190]

JEN GOETTEMOELLER: Correct, 185 percent. [LB190]

SENATOR KINTNER: All right, I feel a little better now that...I thought we were generating that number on our own and thinking, there's no way. [LB190]

JEN GOETTEMOELLER: No. [LB190]

SENATOR KINTNER: I think I have one more question for you here, and I'm...you know what, I've tortured you enough. Thank you very, very much for your kind response... [LB190]

JEN GOETTEMOELLER: Thank you for having me. [LB190]

SENATOR KINTNER: ...and your understanding that a guy doesn't understand all this stuff. So I appreciate it. [LB190]

JEN GOETTEMOELLER: Thank you for the questions. [LB190]

SENATOR KINTNER: All right. [LB190]

SENATOR MELLO: Senator Conrad. [LB190]

SENATOR CONRAD: Jen, thank you so much for coming in. And just a couple of points for any committee members who are curious about what one-year-olds do, I have a very active 14-month-old at home. (Laughter) Senator Kintner and others, you're welcome to come over any time and see what it takes because I, myself, have been very surprised. I want to go back to the statistics just briefly... [LB190]

JEN GOETTEMOELLER: Sure. [LB190]

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SENATOR CONRAD: ...because I heard you mention them in the Health and Human Services Committee last week when we had a childcare bill that we were working on together there. [LB190]

JEN GOETTEMOELLER: Um-hum, absolutely. [LB190]

SENATOR CONRAD: And really to point out, it seems to me, if I understand this correctly, that the estimates that you've provided by district are, in order to not double count, are singularly utilizing the poverty factor, not the other risk factors. [LB190]

JEN GOETTEMOELLER: Correct, absolutely. [LB190]

SENATOR CONRAD: So in essence, they're a very conservative estimate of the potential children at risk because those numbers could be far greater if you take into account any of the other four risk factors... [LB190]

JEN GOETTEMOELLER: Risk factors. [LB190]

SENATOR CONRAD: ...identified by the Department of Education. Is that right? [LB190]

JEN GOETTEMOELLER: That's correct. [LB190]

SENATOR CONRAD: Okay, very good. Thank you. [LB190]

SENATOR MELLO: Senator Nordquist. [LB190]

SENATOR NORDQUIST: Thank you. Thank you, Jen. Just so I have a...make sure I understand what we're asking for. The \$10 million, is that going into the endowment to beef up the endowment, or is that going to be an annual appropriation and then the intent would be to advocate for that to continue into the future to make it sustainable? [LB190]

JEN GOETTEMOELLER: Right. So I think the first part of your question is: Where does the \$10 million go? [LB190]

SENATOR NORDQUIST: Yeah. [LB190]

JEN GOETTEMOELLER: And right, that goes into the Endowment Cash Fund. So right now that consists of the interest from the earnings of the public investment and the private investment. [LB190]

SENATOR NORDQUIST: Okay, okay. [LB190]

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JEN GOETTEMOELLER: And that would be \$10 million additional that would help us reach significantly more children. I think once the state sees and people are a little bit more familiar with the evaluation and the results and the return on our investment that we're getting and where we're able to save dollars when these children are entering the K-12 system, they will more than pay for themselves. [LB190]

SENATOR NORDQUIST: Um-hum, um-hum. Great. Thank you. [LB190]

SENATOR MELLO: Senator Bolz. [LB190]

SENATOR BOLZ: I want to take the next step off of Senator Nordquist's question. You know, I've been impressed, as a new senator, to see just how smart and strategic and thoughtful our budgets around TEEOSA and Medicaid are put together and just how focused we are on efficiency in serving our most vulnerable populations. [LB190]

JEN GOETTEMOELLER: Um-hum. [LB190]

SENATOR BOLZ: I'm also very cognizant that sometimes some of the populations that you are addressing are high-needs users of those services. I just would like to hear from you an enumeration of what you think we might be saving in TEEOSA and Medicaid. Will it be savings through early diagnosis? Will it be quicker recognition of learning disabilities? Can you just help me connect the dots? [LB190]

JEN GOETTEMOELLER: Actually, I'm not sure if you would mind if I let...I believe there is a superintendent who is going to talk about the impact that Sixpence has had on their district, and that might give you more concrete, rather than me just estimating for you. I think he can give you some real numbers, if that's helpful. [LB190]

SENATOR BOLZ: Great. It seems to me that there's a real opportunity for cost savings through this program. [LB190]

JEN GOETTEMOELLER: Absolutely. [LB190]

SENATOR BOLZ: And that's really exciting to me. [LB190]

JEN GOETTEMOELLER: Yeah. [LB190]

SENATOR MELLO: Seeing no further questions, thank you, Jen. [LB190]

JEN GOETTEMOELLER: Thank you for your time. [LB190]

SENATOR MELLO: Next testifier. [LB190]

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KERMIT BRASHEAR: Mr. Chairman, members of the Appropriations Committee, I am Kermit, K-e-r-m-i-t, Brashear, B-r-a-s-h-e-a-r. I'm a citizen of Nebraska and a resident of Omaha. And I've been asked to testify in support of Senator Harms's bill, and it is my...it is an honor to do so. Seven years ago it was my privilege to be a part of the body when it adopted LB1256, which began the process of creating the Early Childhood Education Endowment. To the best of our knowledge, Nebraska was the first state to amend its constitution to create a dedicated funding source for early childhood education. In that regard, the Early Childhood Education Endowment is part of a great Nebraska tradition. Our first and only nonpartisan Unicameral, Nebraska led. Nobody has followed. They should have. In providing for the first initiative and referendum for local government in 1897, Nebraska led. In tort reform, Nebraska led. In community corrections, Nebraska led. And in early childhood education, we have also led. Of course, we had a great champion here then who deserves a great deal of credit, and I want to mention our late friend, Senator Ron Raikes. But we should also acknowledge that the creation of the endowment was part of an extraordinary public-private partnership for the greater good, another way, too little acknowledged and too seldom acknowledged, in which Nebraska knows how to lead. Twenty million dollars was generously offered from private sources to the state of Nebraska. The people of Nebraska responded through this body and through the electoral process with the adoption of a constitutional amendment which provided for \$40 million from the state's educational trust funds to be set aside for the Early Childhood Endowment. LB190 proposes an additional \$10 million in each of the next two fiscal years for a total of \$20 million of new money. It is interesting to observe that now, seven years later, after Nebraska led, there's a trend. At the federal level, a major expansion of early childhood programs has been proposed. Alabama's Republican governor has called for a 60 percent increase in early childhood funding. North Dakota has recently advanced a bill sponsored by Republicans to authorize school boards to authorize new programs and to provide \$4.6 million of early childhood grants. In the Mississippi legislature, bills have advanced creating its first state-funded early childhood programs and adding \$6 million of funding. West Virginia's governor proposed to offer programs for four-year-olds in each of the state's school districts by 2016. And in New Mexico, a broad-based coalition of citizenry has brought forward a constitutional amendment, very much like Nebraska's, in which a portion of earnings on the state's Permanent Education (sic) Fund would be earmarked for early childhood programs. What these other states are realizing is what this body concluded on behalf of the people in 2006. This is something we cannot afford not to afford. For me, personally, this issue has always related to our more global problem of growth. We have a static population that is aging. We have 69 counties that have not shown growth and have not grown for 120 years. If we are to take care of our older citizens who have contributed so much, we must invest in the opportunities presented for our young to learn, grow, and contribute, because data from numerous sound economic studies indicate that these programs pay for themselves over time. There are at-risk children in all parts of our state, rural and urban. These funds give them the early start to prevent

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the expensive problems down the road, such as overcrowded prisons, overburdened foster care, overburdened mental health systems, the great need for drug and alcohol prevention and treatment. This committee knows all about the cost of those things. We are blessed to have this, we were blessed to have the offer in 2006, and we're privileged to have come as far as we have. This is money well spent. This is a chance to grow and hope. Thank you. [LB190]

SENATOR MELLO: Thank you, former Senator Brashear. Are there any questions from the committee? Senator Conrad. [LB190]

SENATOR CONRAD: Thank you so much. It's always a pleasure to see you, Kermit. [LB190]

KERMIT BRASHEAR: It's my privilege. Thank you. [LB190]

SENATOR CONRAD: If you could...and I don't expect you to have, maybe, this off the top of your head, if maybe other testifiers might want to follow up as well. But there has been a lot of discussion based upon the President's initiation of this discussion and the importance regarding early childhood education about whether or not we have seen benefits from programs like Head Start. And I would assert that we have in Nebraska and across the country. If you'd like a chance to just respond on that topic, I'll give you that opportunity. [LB190]

KERMIT BRASHEAR: Senator Conrad, I'm...if I was ducking your question I'd tell you. I just know the limits of my knowledge and ability. And I'm an old...I always say I'm an old, country lawyer. (Laughter) I'm not an educator. And I simply know that there are many people behind me who can talk with expertise, and I would like to defer to them. [LB190]

SENATOR CONRAD: Absolutely. And as a general sense though, it would be your opinion that one of the reasons you're here today is because, regardless of the type of program, you believe very strongly that early childhood education has benefits. [LB190]

KERMIT BRASHEAR: Absolutely, and I believe Nebraska can do it better than anybody can do it for Nebraska. And I believe that with most...all things, except maybe defending the nation. But I'll stop. [LB190]

SENATOR CONRAD: Very good. Thank you. [LB190]

SENATOR MELLO: Any further questions? Senator Kintner. [LB190]

SENATOR KINTNER: Welcome. [LB190]

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KERMIT BRASHEAR: Thank you. [LB190]

SENATOR KINTNER: What programs, in your time here, have we run in this state that haven't worked, in your opinion? Is there any you can point to that say, boy, we tried it over here and that doesn't work and that doesn't work and that doesn't? Based on your history and your knowledge and your experience, did you see programs that we've tried that haven't worked? [LB190]

KERMIT BRASHEAR: Not all programs work as well as we have hoped. I don't think there are any complete failures. I can anticipate where you might like to take me, and I am up for that if you'd like to discuss it. Not everything succeeds as much as you want it to, but sometimes government has to be the impetus. If nobody has done anything about a problem long enough, sometimes you have to kick-start things and force them to decide what they will or won't do. [LB190]

SENATOR KINTNER: Thank you very much. Appreciate it. [LB190]

SENATOR MELLO: Senator Nelson. [LB190]

SENATOR NELSON: Thank you, Senator Mello. I'm not going to ask you really any questions, Senator Brashear, because I just revel in the opportunity to sit on this side of the table after all those years. (Laughter) And you were Judiciary, right? [LB190]

KERMIT BRASHEAR: Appropriations for my first two, Judiciary for eight,... [LB190]

SENATOR NELSON: Okay, you... [LB190]

KERMIT BRASHEAR: ...and then privileged to do other. [LB190]

SENATOR NELSON: You mentioned the \$40 million figure that started this out, and you were largely responsible for that. And that came from... [LB190]

KERMIT BRASHEAR: No. Pardon me, Senator. Of course, you're a senator, you're never wrong. [LB190]

SENATOR NELSON: Yes, I am. [LB190]

KERMIT BRASHEAR: But it takes 25 or more in this body to do anything, and I am so grateful that the body in which I served saw fit to do this. [LB190]

SENATOR NELSON: Sometimes it takes more than 25. (Laughter) [LB190]

KERMIT BRASHEAR: Yeah. [LB190]

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SENATOR NELSON: But...so we had that \$40 million and now that's in the Endowment Fund, and so it's simply interest that we're using. And I'm looking at figures here. Apparently, as a result of that, in 2010-11 we had about...close to \$2 million in income out of that. So this proposal is to take another \$10 million out of the Reserve. It will go into the Endowment Fund, and then it has to be matched by another \$10 million. Does it (inaudible)? [LB190]

KERMIT BRASHEAR: I had to check that, Senator Nelson, to be candid. This is \$10 million into the cash fund, as I understand it, for two years. And I leave that to the expert...of course, I leave everything to the body, but that to the expertise of the committee. I think what's happened is, over the period we've been involved in, we've not see...I'm trying to have a little humor here. We haven't seen a lot of growth because of the economy. But of course we have to get ready for the coming inflation. [LB190]

SENATOR NELSON: All right, thank you. Thank you, Senator Mello. [LB190]

SENATOR MELLO: Are there any other questions from the committee? Seeing none, thank you, Kermit. [LB190]

KERMIT BRASHEAR: Thank you. [LB190]

JESSIE RASMUSSEN: Chairman Mello and members of the committee, my name is Jessie, J-e-s-s-i-e, Rasmussen, R-a-s-m-u-s-s-e-n. I am presently the president of the Buffett Early Childhood Fund and a member of the Sixpence board, representing the private investors in Sixpence. I'm here today at the request of the chair to share with you the private investors' perspective about Sixpence. I've been working in philanthropy for about five years now, and I've learned there are some common themes across many philanthropists about what they're interested in investing in. One is they want to know that they're having impact. It's okay to start small, but ultimately they want to know whether or not they're reaching the majority of the population they hope to address. Second of all, they want to do what works, and for that reason they're very much driven by the science and research about effectiveness. And third, they demand accountability for results. And I can emphasize that: They demand accountability for results. They measure what they invest in, they make adjustments when things are not working right, and they attempt to expand that which works well. Let me talk specifically about my experience in working with my benefactor, Susie Buffett. She, and many others in Omaha, for a long time have been very interested in promoting children at risk being successful in K-12. When it comes to impact though, about ten years ago she said, how could I have greater impact? And what she learned from the brain research as well as multiple longitudinal studies is you can't wait until five. The disparities between children begin as early as 18 months, and children who come from families with multiple risk factors tend to start--not all, but tend to start--at kindergarten a year behind their peers



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from resourced families. And the research also shows us that when you start behind there is a tendency to stay behind; in fact, the gap gets wider. And yes, we can change that trend, but it's expensive, it's time intensive, and far too often we fail. So, hearing that, Susie decided to invest in high-quality, birth-to-five services for children most at risk. She found a program that was doing that and decided to replicate it as a demonstration of what high quality can achieve for children birth to five. But, I have to tell you, from the git-go this idea was never just about the 150 to 200 children served inside the Educare school. It was about taking what we could learn about effectiveness to beyond the walls, to thousands of children who need the same kinds of experiences. And for that reason I tallied up over...in the last ten years or so, multiple philanthropists have contributed well over \$130 million into the early years. They've done it by expanding Educare. There are two schools in Omaha. There is a new one in Lincoln. I invite you all to the grand opening in April. And there is another one under construction in Winnebago on the reservation. But in addition to those Educare schools, which again are demonstration schools, we've taken the lessons learned out into the broader, early childhood community through coaches who are taking the practices from Educare and trying to raise the quality of programs that are serving children of low income. We've also invested in home visitation programs across the state of Nebraska, have invested in scholarships to other high-quality programs so children of low income can access those programs. We've supported innovative strategies like Babies from the Bench, which is focusing on our youngest children in the child welfare system, applying the science to improve our practices in those circumstances. And then, most recently, a significant gift was made to the University of Nebraska to establish the Buffett Early Childhood Institute. In essence, it's an attempt to make Nebraska the new epicenter of early childhood education. So that's all about impact. Let me talk a little bit about what works, in terms of being driven by the science. What the science tells us is that starting early is best. It's best to do it right than to try and fix things that didn't go right. And, in fact, when we say early, we're talking about the earliest months and years of a child's life. We also know the science very clearly tells us we're talking about quality. Any old program in the early years does not get the return on the investments that we talk a lot about. Quality matters. And third--several of you raised this issue, but I already had it down on my document--we know that the science says that quality early childhood programs, effective early childhood programs depend on authentic partnerships with parents. And finally, let me talk real quickly about accountability for results. And I'll talk about our evaluation at Educare, although every other investment I referenced also has an evaluation component. But Educare is our oldest one. We know, from not only the evaluation of the children in Omaha but at our other 17 operating schools across the nation which also were in part of the evaluation, that children who go to Educare instead of starting a year behind in kindergarten are arriving on par with their peers from resourced families. But here's the really exciting news. We have learned that the children who have had more than two years of Educare, who started before they were three, are even better prepared at kindergarten. And now, in our more recent follow-up study in Omaha Public Schools, we know that's also true in third and fifth grade. Let me

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just quickly share with you that the state reading test, it's my understanding that a score of 86 means you're meeting expectations, and in math the same thing. In Omaha Public Schools district, the average for free- and reduced-lunch children is 76 for math on the state test. For children attending Educare more than two years it's just shy of 90. When it comes to the reading, again, the average score for children in Omaha Public Schools that are on the free- and reduced-lunch program is 85. For children who have had more than two years of Educare, it's 110. So bottom line, the investors in Sixpence believe it's one of the smartest investments they've ever made because of its impact all across the state of Nebraska; because it's doing what works; it focuses on quality; it focuses on starting early; and it focuses on engaging parents in meaningful partnerships. And lastly, it is being held accountable for results through its annual evaluation that really is exciting in terms of sharing that we're actually beginning to prevent that gap from appearing at 18 months. So I end with that. We conclude it's a good investment. I hope you do, too, and I'd be glad to answer any questions that you have. [LB190]

SENATOR MELLO: Thank you, Jessie. [LB190]

JESSIE RASMUSSEN: Um-hum. [LB190]

SENATOR MELLO: Are there any questions? Senator Wightman. [LB190]

SENATOR WIGHTMAN: Thank you. Thank you for being here, Ms. Rasmussen. I thought you said that the disparity starts with students over 18 months. Did you...is that what you said? [LB190]

JESSIE RASMUSSEN: Yes. There's a great research project that was done at the University of Kansas which put monitors on children that recorded every word that they were hearing in their home, and they did it with three categories of families: families who were on public assistance, in other words, families of low income; middle income; and those with high-income families. And what we learned from that is that children start out about the same in terms of the number of words they hear. But by 18 months, the differences become very apparent in terms of the children in resourced families are hearing significant more words than the children in low-income families. And what that translates into is vocabulary because then they also measured the vocabulary. So the children at age...in kindergarten, the children from resourced families have heard 30 million more words than the children from families of low income, and their vocabularies are three to four times greater than the children from families of low income. What that means is we know that vocabulary and language development is highly correlated with reading and success in reading, which is highly correlated with success in school. And so that's what I'm saying, is that that disparity starts as early as 18 months. I've actually heard there's another study that shows it starts as early as nine months. I don't know the details of that study though. [LB190]

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SENATOR WIGHTMAN: And I know you've indicated... [LB190]

JESSIE RASMUSSEN: Um-hum. [LB190]

SENATOR WIGHTMAN: ...or prior testimony has indicated that you were looking at 60,000 students, I think, out of 150,000 students, is that right? So it's about 40 percent of the total. Now we're also looking at this money, I guess, being spent between ages one and three. Is that right? None of it would go to four and five. It would be another program that would assist them, is that correct? [LB190]

JESSIE RASMUSSEN: Correct. These dollars would allow us to expand the existing effective program managed by Sixpence. So it would expand and it would be for children most at risk that are under the ages of three. [LB190]

SENATOR WIGHTMAN: But you indicate, and maybe it's 9 months, maybe it's 18 months,... [LB190]

JESSIE RASMUSSEN: Um-hum. [LB190]

SENATOR WIGHTMAN: ...that you're not seeing anything that's probably going to help your...help the students until they get--not students, children--until they get to 8, 9 months, or 18 months. Nine is probably the absolute youngest. Are we talking then about all of the money being used basically between 18 months and 36 months? [LB190]

JESSIE RASMUSSEN: No, it really starts earlier than that. What I was sharing with you is that the disparity becomes apparent as early as 18 months and perhaps 9 months. That doesn't mean the origin of that disparity doesn't start until then. It actually starts very, very early on, as Jen very accurately described. It's been my experience, working in this field for almost 50 years now, that parents want to be good parents. I don't know any parent that gets up in the morning and says, my goal today is just to be a rotten parent. But we don't all know what we don't know, and we don't all have the experience of wonderful parenting ourselves. We think it's instinctual to talk about doing some of the things that Jen talked about doing between parent and child. Instincts come from somewhere, and they come from, probably, your own life experience. So we are talking about the very earliest months. Attachment, people, research will tell you it's one of the most critical periods of time for developing social-emotional development, the kind of foundation that allows children to grow up to be self-confident, self-regulated, to have the kind of social skills that enable them not only to learn but to get along well with other people. So it does start really early, and we start with very, very young children. [LB190]

SENATOR WIGHTMAN: So what would be the youngest child you would likely start with in this program? [LB190]

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JESSIE RASMUSSEN: We start with parents as soon as they have babies. The sooner they learn the kinds of things they can do to promote their child's healthy growth and development, the better it is. [LB190]

SENATOR WIGHTMAN: Thank you. [LB190]

SENATOR MELLO: Senator Kintner. [LB190]

SENATOR KINTNER: Thank you for coming. [LB190]

JESSIE RASMUSSEN: You bet. My pleasure. [LB190]

SENATOR KINTNER: You know, when I was running for office, I knocked on thousands and thousands of doors, and there was only one door that totally stumped me. I'm talking taxes. People are complaining about the taxes. I'm going to go cut your taxes and... [LB190]

JESSIE RASMUSSEN: Um-hum. [LB190]

SENATOR KINTNER: But I got to one house. She goes, what do you think about early childhood education? I looked at her and looked up and looked down and thought, I go, you know, I really liked it, it was a fun time in my life. (Laugh) And I especially liked the naps. And I've got to tell you, I look forward to going...I can remember where that woman lived. She...it was just outside Papillion in Sarpy County. [LB190]

JESSIE RASMUSSEN: Um-hum. [LB190]

SENATOR KINTNER: I look forward to going back to her house and telling her everything I know about early childhood education based upon all the great information you just gave me. But can you tell me...you talked about lots of private dollars and lots of people donating money. [LB190]

JESSIE RASMUSSEN: Um-hum. [LB190]

SENATOR KINTNER: How much money is spent in our state, total, on early childhood education? With all the programs that you know about, the government programs, private programs, partnerships, do you have any idea? [LB190]

JESSIE RASMUSSEN: I would be dangerous to answer that question. I'd ask Jen. She's probably got those numbers right on her fingertips. [LB190]

SENATOR KINTNER: Okay. [LB190]

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JESSIE RASMUSSEN: But there are multiple programs that are working...that are serving children under the age of five, and I think what we want to do is make every dollar that's spent on children under the age of five invested in quality experiences and invested in programs that are effective. [LB190]

SENATOR KINTNER: Are all these programs on the same page, some, like, working together? Or are there any working at cross-purposes? I'm trying to get you to educate me on the big issue here so I see where all this fits in. [LB190]

JESSIE RASMUSSEN: Right, right. Sure. No, I appreciate that. I think there has been a movement across the country, as well as in Nebraska, to better align all of the programs that are working...that are serving children and families and making it possible for us to do what we in the business call "braiding of funds" across multiple programs. It's with that braiding that we can get closer to the capacity to deliver the quality that's effective, so...but in all honesty, we're not there yet. So there are rules and regulations in one program that are different than the rules and regulations in another program, and it makes it more challenging to try and put those resources together. But people at the ground level are creative. They are able to do it. And I think we have good partners at the state level, both in Health in Human Services and the Department of Education. I've been in other states, and the people in the department of education and health and human services don't even know their...each other's names. That's not the case here in Nebraska. They...folks here know each other and they work together, and they're working hard to make these programs all work together to be effective with children. [LB190]

SENATOR KINTNER: Well, that's a nice transition to my final question. [LB190]

JESSIE RASMUSSEN: Yes, sir. [LB190]

SENATOR KINTNER: Thank you. We talk about rankings and how our state compares to other states. [LB190]

JESSIE RASMUSSEN: Um-hum. [LB190]

SENATOR KINTNER: I know with taxes we rank horrible compared to just all the states around us. But in terms of early childhood education, how do we rank compared to the states around us? What are they doing? Are we better? Are we worse? Are we ahead? Are we behind? What...can you give me an assessment, if you know? [LB190]

JESSIE RASMUSSEN: There was a recent ranking, but you always have to be careful of those rankings if you don't understand what's behind them, in terms of how they did it. I would tell you one of the things that Nebraska is a leader on is that the Department

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of Education, when they started their pre-K programs in the early '90s, they understood that quality matters, and they set high standards of quality. They also understood that evaluation was important so that we could learn what was working and what was not working and fix what we needed to fix. And so many states have not done that. They've put a little bit of money towards every kid and not enough money to do any kid a good service. And so I think Nebraska has been a real leader on that. Nebraska is not as strong a leader around demanding accountability and quality in our childcare dollars, our childcare subsidy dollars. But there is legislation to improve that, and I think that's a major step forward for our state to make sure that those investments are done that way. And then finally I would say, you know, if you're ranked around eligibility standards for programs like the childcare subsidy, we rank very, very low. [LB190]

SENATOR KINTNER: Okay, thank you very much. [LB190]

JESSIE RASMUSSEN: You bet. [LB190]

SENATOR MELLO: Senator Bolz. [LB190]

SENATOR BOLZ: I have a question along the same line. Senator Kintner and I both take seriously our jobs as good stewards of state dollars. [LB190]

JESSIE RASMUSSEN: Yes. [LB190]

SENATOR BOLZ: And while I admire your work and have nothing but confidence in your abilities and your interests here, it would be helpful for me to just hear you articulate exactly how our state dollars will be leveraged and how we can be assured that that will occur in practice. [LB190]

JESSIE RASMUSSEN: Are you talking about the Sixpence dollars? [LB190]

SENATOR BOLZ: That's right. [LB190]

JESSIE RASMUSSEN: Yes. I would say that this board of six has been very mindful of their fiduciary responsibility. They've been very mindful of establishing the initial, sort of, rules of the game. That was based in science that focused on quality and focused on the most at-risk children. What we've learned from the science is the children who are most at risk, and that's usually kids with multiple risk factors, not just poverty, but also single parent, parent who has not yet graduated from high school, instability in housing, food insecurity, those kinds of things, when you get multiple risk factors. Interesting enough, they're the most at risk, but they also are the kids who are the high return. If we invest in those most at-risk kids in the earliest years, we'll get the greatest return in the end with some of the programs that you were referencing earlier, like Medicaid or special education. So we pay very close attention to what we say we will fund. The

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second thing is we made a decision early on that we will not continue to fund those programs that are not meeting those standards of quality. And we've come close to defunding one of the programs. I think that threat was just enough to get them to rally around and make significant improvements in their programs. So we know the money is limited, and we want to make sure we're investing in programs that work and are willing to discontinue funding to those programs that don't. And our evaluation is a big part of it. The third thing I would say is that we have a fabulous person who does technical assistance, goes around to all of the sites on a regular basis. We wear her out. She puts a lot of windshield time in to make sure these programs are doing what they said they were going to do in the proposal but also making sure that they are delivering the kinds of results and the kind of quality that we want from this program. I think this group is being very diligent about making sure that these monies are well spent. [LB190]

SENATOR BOLZ: And, forgive me, let me put a little bit finer point on the question,... [LB190]

JESSIE RASMUSSEN: Sure. [LB190]

SENATOR BOLZ: ...because of my lack of familiarity with how the program works. [LB190]

JESSIE RASMUSSEN: Right. [LB190]

SENATOR BOLZ: Can you just explain to me, are the matching dollars already in the fund and simply need our investment to be leveraged? Will there need to be fund-raising that occurs? I'm just not clear as to where the private investment comes in and how we pull down the match. [LB190]

JESSIE RASMUSSEN: Well, the initial investment was the \$20 million from the private community that matched the \$40 million from the state. And then, when a community receives a grant, all the dollars go through the public schools. And when a public school gets a grant, they must match that, one to one. So let's say they get a \$75,000 grant. They need to match that with \$75,000 more dollars. They can do that by using other funding sources because we encourage that. They can do that by partnering with a community-based early care and education program. They can do that by bringing private contributions in. And most of them do a combination of all of those things. [LB190]

SENATOR BOLZ: Okay, that's helpful. So we'll put the money in and it will be incumbent upon those local communities to pull together their local, either educational or private, resources to put the programs fully into place. Is that right? [LB190]

JESSIE RASMUSSEN: In fact, they have to demonstrate that in their proposal. [LB190]

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SENATOR BOLZ: Okay. [LB190]

JESSIE RASMUSSEN: And then we hold them accountable for making sure that's what's implemented. [LB190]

SENATOR BOLZ: Okay, thank you. That's helpful. [LB190]

JESSIE RASMUSSEN: You bet. [LB190]

SENATOR MELLO: Senator Conrad. [LB190]

SENATOR CONRAD: Jessie, thanks so much for your testimony... [LB190]

JESSIE RASMUSSEN: Yes. [LB190]

SENATOR CONRAD: ...and your service to this great state in the public, and now in the private, sector. Quick question, and I...just because I don't know if it's defined in this particular legislation but because you mentioned it so frequently in your testimony. When we talk about quality for programs,... [LB190]

JESSIE RASMUSSEN: Um-hum. [LB190]

SENATOR CONRAD: ...is there an existing definition or a benchmark that you utilize for that? Or maybe there is another testifier who could address that. But I wanted to give you a chance just to clarify that definition. [LB190]

JESSIE RASMUSSEN: Yes. And again, those qualities of standard are pretty well established in the field, and they come from research. [LB190]

SENATOR CONRAD: Okay. [LB190]

JESSIE RASMUSSEN: And again, they came...the foundation was created in the Department of Education with the original pre-K grants, and it is things like staff qualifications, class size, class ratios, the intentional use of evidence-based curriculum, and meaningful engagement with families. [LB190]

SENATOR CONRAD: Very good, because I'll tell you one thing that I'm concerned about that I hear a little bit of feedback from, from my constituents in north Lincoln. As you correctly know, Nebraska ranks dead last when it comes to eligibility for our childcare assistance program, unfortunately. But as we try and make some gains in restoring that eligibility and moving up those rankings, when we talk about quality, sometimes people get nervous and think, well, are we going to leave out maybe that



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grandma in north Lincoln or north Omaha who doesn't have an advanced degree but is a tremendous resource with children. And it sounds, based upon the multifaceted definition that you're utilizing, that I can confidently respond that, no, we're interested in assisting all of those who have care and consideration according to these other quality factors as well. [LB190]

JESSIE RASMUSSEN: Yeah, and let me...I want to be sure I answer you correctly on this. On the Sixpence grants, we do require that the lead teacher or the primary home visitor have a four-year degree and that a lead teacher in a center-based program needs to have an early childhood certification. So I want to be very clear about that. The second teacher is usually like an AA, an associate degree. [LB190]

SENATOR CONRAD: Um-hum. [LB190]

JESSIE RASMUSSEN: And the third teacher can be somebody who can be trained with 12 or more hours of training. But we also designed originally, in our planning on the Sixpence board, a track where we say, there may be programs in the community that could partner with the public schools that aren't there yet. [LB190]

SENATOR CONRAD: Um-hum. [LB190]

JESSIE RASMUSSEN: But these dollars could help move them to the higher standards of quality. And so again, the coaching strategies that we've invested in is really about recognizing that we can work with existing early childhood providers and give them the opportunity to really raise the bar in their practice. [LB190]

SENATOR CONRAD: Very good, thank you. [LB190]

JESSIE RASMUSSEN: You bet. [LB190]

SENATOR MELLO: Seeing no further questions, thank you so much, Jessie. [LB190]

JESSIE RASMUSSEN: You bet. My pleasure. [LB190]

SENATOR MELLO: Real quick, how many other testifiers plan on testifying in support, neutral, or in opposition to LB190? One, two, three, four, five, six, seven, eight. All right. Okay. Next testifier in support. Good afternoon. [LB190]

KATHLEEN FELLER: (Exhibits 3 and 4) Good afternoon, Mr. Chairman and members of the Appropriations Committee. My name is Kathleen Feller, Kathleen, K-a-t-h-l-e-e-n, Feller, F-e-l-l-e-r, and I'm representing Nebraska Children and Families Foundation in support of LB190. I'm the administrator of the Sixpence Program, representing the private sector of the public-private partnership. When Sixpence Program was created,

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the sponsors of the legislation built accountability into its foundation by embedding technical assistance for programs as well as rigorous evaluation. My job is to work with 11 communities that have a Sixpence grant and provide one-to-one technical assistance to ensure the highest quality for the dollars and the greatest impact for children and families served. Sixpence is an existing high-quality early childhood program for infants and toddlers. It is based on science of child development and what is happening in the earliest years. Because of this research, we know what high quality looks like for children three years of age and younger, and you've heard quite a bit about that already this morning. Whether it's an early childhood setting or at a home with family, infants and toddlers need lots of individual attention, positive adult-child interactions, plenty of eye contact, and encouraging tones. The bottom line is they need positive, nurturing, responsive relationships from all the adults in their lives, parents and caregivers. The 11 Sixpence Programs are scattered throughout the state in a variety of communities, including rural and urban, prison facilities, as well as Native American reservations. Regardless of the place, Sixpence continues to allow communities the support to level the playing field for infants and toddlers who are at risk of failure in school so they have the opportunity to enter kindergarten on par with their more advantaged peers. For some communities, the service is providing center- or home-based care for infants and toddlers while their parents work. For communities with teen parents finishing high school, it may mean providing care for the teen's child while the teen receives individual coaching regarding their infant's developmental needs and strong parenting skills. Other communities may determine that working individually with a family in their own home on how to interact with their child may produce the best results. Sixpence has touched 976 infants and toddlers since its inception in 2008, but the need is greater. You have a map that was handed out in front of you that shows you what communities currently have Sixpence Programs, communities that originally applied for Sixpence grants but because of lack of funding were unable to be served, as well as communities who have declared an interest in applying when more funding becomes available. These school districts are desperate for resources to support the youngest in their communities. They see the need for high-quality care for the infants and toddlers in their school districts and support for parents as a growing need. As of today, all the current 11 Sixpence communities have full enrollment with families on waiting lists. The evaluation results show that through high-quality standards and accountability, Sixpence is closing the achievement gap for children who are very much at risk of failing in school and later in life. One of the most significant ways to positively impact a child's life and prepare them for success in school is to strengthen the parent-child relationship. Sixpence evaluation includes several measures, including involving parents in the home environment, revealing the 21 percent increase in parent-child engagement from the 2008-2009 grant year to the 2011-2012 grant year. There has been ongoing concern across the nation over the increased number of children being expelled from kindergarten programs because of lack of appropriate skills to manage their emotion. Sixpence is showing significant improvement in this area. With these protective factors securely in place, children who would otherwise arrive at

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kindergarten developmentally behind their more advanced peers and be at risk of school expulsion will be able to use appropriate behavior to meet their needs, build healthy relationships, and succeed in school. I had the benefit of spending the last week with one of our Sixpence Programs that's located on a Native American reservation, and they proudly reported to me that their school district data is showing that every child who has participated in the Sixpence Program was performing at grade level or above. The school district reports that this has not been the case in the last few years. They are hopeful but need more resources for expansion to fully serve the need in the community. Thank you for consideration of LB190, and I'd be happy to answer any questions you might have. [LB190]

SENATOR WIGHTMAN: Thank you, Ms. Feller. Do we have any questions? Thank you. [LB190]

KATIE KJOLHEDE: (Exhibit 5) Senator Mello and members of the Appropriations Committee, my name is Katie Kjolhede, Katie, K-a-t-i-e, Kjolhede, K-j-o-l-h-e-d-e, and I am here to talk with you about the Sixpence youth...young parent program in Crete, Nebraska. I'm not sure I would have been able to graduate from high school without their help. Like many other teens, I became pregnant prior to my junior year. I was fortunate to hear about the Sixpence Program and that it was located in my community. I visited the program and met Stephanni, who would become my home visitor. She helped me with home visits, a home-visiting nurse, and support groups. Steph became my support as I worked with my principal and teachers on how I could continue with school and graduate with my class. Stephanni was there from the beginning, teaching me the importance of good nutrition, like no more Mountain Dew and chips for lunch. We talked a lot about what I could expect during my...during delivery, my fears and concerns, and how I was going to manage everything. David was a full-term, healthy baby, but he needed a lot of attention and I was putting in many hours doing homework to keep up with my GPA. It didn't take long before I began feeling overwhelmed. Steph recognized the warning signs and took me to see a mental health counselor who helped me learn to handle some of my stress. I was still tired but managing much better. The first picture is me playing with David. I didn't know how important it was to get down on the floor to play with him. I was encouraged to talk and use something called "Parentese," and I could really see a response from him. I began talking to him a lot, even reading my homework out loud, and I could see that he seemed to enjoy my voice. It wasn't just me that learned the importance of playing and talking with David. But David's father was invited to be a part of home visits as well. We both enjoyed playing and helping him learn. I wasn't real good at it right away. On one of the first assessments we did with David, I played with him for eight minutes while being videotaped. I didn't do so well. I scored very low, a 1.9 on a 5-point scale. Stephanni and I worked on how to support David during his play, how to follow his lead, and how to let him guide the play even at an early age. Another year, another assessment, David and I scored a 4.9. It wasn't that at first I was a bad parent. I just didn't know how

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important playing and interacting was in his development. Sixpence taught me that. Support groups are another part of the program. As young parents, we are different in so many ways. But when we come together at support group we are all the same. We are a community of teen parents, and we enjoy sharing our babies' milestones, like rolling over, crawling, standing, first words, and sleeping through the night. Sometimes we do activities like family Christmas pictures and hear about topics such as baby sign language and infant massage. If you'll look at the last picture, you'll see that we made it. I graduated with honors last spring. This fall I took classes at Southeast Community College, where I was on the dean's list and was awarded the early childhood certificate of peer recognition. In the fall I will begin classes at Doane College, and David will be three. Sixpence not only taught me how to work with David and his healthy development by teaching me good parenting skills, but it supported me along the way so that I could finish high school. We're both doing fine, thank you to Sixpence. And I'd be happy to answer any questions. [LB190]

SENATOR MELLO: Thank you, Katie. Are there any questions from the committee? Senator Kintner. [LB190]

SENATOR KINTNER: Well, Katie, thank you for coming in. [LB190]

KATIE KJOLHEDE: Yep. [LB190]

SENATOR KINTNER: And, let's see, college in the fall at Doane? What are you studying? [LB190]

KATIE KJOLHEDE: I am now going into business and art. [LB190]

SENATOR KINTNER: Good. I guess I have one question. Where were your parents during this whole thing? Were they getting you any help or any instruction? [LB190]

KATIE KJOLHEDE: My father and I don't have the best of relationship. I lived with him during all of this. I don't any longer. But my mother has never really been in the picture. She's lived in Iowa and Maine my whole life. She has never been in the picture for my son and my development. But my father, he's...he wasn't too happy about the whole pregnancy thing, wasn't too... [LB190]

SENATOR KINTNER: Really? (Laugh) [LB190]

KATIE KJOLHEDE: It's general, but wasn't really...he's self-employed, so he's got to find a lot of jobs, and generally pretty busy for the most part, so he wasn't really in the picture much. [LB190]

SENATOR KINTNER: Well, thank you for coming in. Thank you for sharing this. I really

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am glad that you came. This is great information to have. Thank you very much.  
[LB190]

KATIE KJOLHEDE: Yep. [LB190]

SENATOR MELLO: Senator Conrad. [LB190]

SENATOR CONRAD: Thank you, Katie, so much for coming in. I just want to commend you for having the courage to come forward and share your personal story with this committee and the Legislature. I know that talking about personal things can sometimes be really difficult in the public sphere, but your personal experience speaks volumes to the importance of this program. And the research is important to our decision. But really putting a face on what we're talking about here today is so important, and I think that you've really made a positive difference for hopefully a lot of other kids across Nebraska today. So thanks so much. [LB190]

KATIE KJOLHEDE: Yep. [LB190]

SENATOR MELLO: Are there any...Senator Bolz. [LB190]

SENATOR BOLZ: Brief question. Thank you for being here, Katie. We've heard today about the value of these programs for kids' brain development. And I'm just curious, is David talking? Is he developing well? [LB190]

KATIE KJOLHEDE: He is very ahead on the development scales. He's been talking in full sentences since he was a year and a half. [LB190]

SENATOR BOLZ: Wow, a year and a half, that's incredible. [LB190]

KATIE KJOLHEDE: He can count to, I think it's, 15 now. He knows all of his colors, all of his shapes, those separating skills. Everything is above it, above his developmental skills, and I don't think that would have been possible for me to teach him without the help of Stephanni and the Sixpence Program. [LB190]

SENATOR BOLZ: That's great. We're proud of you. [LB190]

KATIE KJOLHEDE: Thanks. [LB190]

SENATOR MELLO: Seeing no further questions, thank you, Katie, for your testimony.  
[LB190]

KATIE KJOLHEDE: Thank you. [LB190]

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SENATOR MELLO: Next testifier. Good afternoon. [LB190]

TRACEY GARREAN: (Exhibit 6) Hi. Sorry, I'm a crier. [LB190]

SENATOR CONRAD: Join the club. (Laugh) [LB190]

SENATOR MELLO: That's okay. Take your time. [LB190]

TRACEY GARREAN: Senator Mello and Appropriations Committee, my name is Tracey Garrean, T-r-a-c-e-y G-a-r-r-e-a-n, and I am a parent of a...sorry. [LB190]

SENATOR MELLO: It's okay. You can take your time. It's all right, Tracey. [LB190]

TRACEY GARREAN: I'm terrified of public speaking, so. I'm a parent of a child enrolled in the program. Both of my daughters have been through the program. I have a three-year-old and a four-year-old, and it's been a pleasure to be a part of the Sixpence Program. I'm very fortunate. Many people wonder why--thank you--there's programs for the infants and the toddlers. And, you know, they think, well, they're just babies, you know, what are we going to do, what can we do for them, how can we teach them. And it's through the healthy and positive interactions that we learn through the Sixpence that help our kids become emotionally and socially ready so they can focus on the academics. The skills that they learn through the Sixpence help the parents learn to pay attention to their kids' needs so their children can learn how, you know, when they get to the school environment, to pay attention, how to get along with their peers, how to follow directions, how to control their emotions, which, obviously, I didn't learn as a child (laughter) so that they can interact with their peers through school, so that they can excel in the classroom and effectively interact with the other children in their peer group. It...the Sixpence hasn't just taught my kids. It has taught me a world that I didn't know existed. So it's helped me become a better parent and to teach them how to be confident, how to be well adjusted. It has taught them to believe in themselves, which to me is a very hot-button issue. If they don't believe, they don't excel. They don't become all they can be. They become the worst statistics, and I didn't want that for my children. And that's why I called and had my kids enrolled. It's also taught them how to live appropriately, conduct themselves appropriately, and accept other children as individuals. And it has taught them how to work well independently as well as in groups. I want my kids to be ready. I want them to be able to walk into kindergarten with the "I can do it." I want them to be able to have this so they can take full advantage of their education. And, you know, if they don't take advantage of it, it's tragic. If they don't have the skills, if they don't learn them early on so that they can take advantage, that is just the biggest tragedy to me. And I believe wholeheartedly that the Sixpence Program has been able to provide that to me so that I can provide that to my children. Maybe, if it's okay...I did not have a good early childhood education. My mom did the best she could with what she had. There were four of us. My older brother is...was 3 years, 14 days

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older than my twin and I, a 17-month-old in the middle of that, and we occasionally had foster kids in the family. And in kindergarten I wasn't prepared emotionally and I didn't excel, and I graduated functionally illiterate. It's hard to admit. I don't want that for any child. My children, as a result of the program...my oldest, she's four. She has sensory issues. She has...wasn't able to control her emotions. She is now enrolled in the Head Start Program. She emotionally, socially, and academically is at the top of her class. My three-year-old, who is still...she'll age out this year. She, at the age of a year and a half, has spoke complete sentences. She had about a 240-word vocabulary. Of those, there was about 25 of them that are feeling words. She, through the testing that the program does to see where they are fitting, if they're meeting and exceeding their goals, she is...tests out her vocabulary at an eight-year-old level. Eight. There are eight-year-olds that know that she knows just as much as, that she can communicate, that she can speak, so. And I really appreciate the opportunity that's been given to me, and I hope you see it. I really hope you see it. If anybody has any questions, I'll try not to cry through them, but... [LB190]

SENATOR MELLO: Thank you, Tracey, for your testimony. [LB190]

TRACEY GARREAN: Thank you. [LB190]

SENATOR MELLO: Senator Kintner. [LB190]

SENATOR KINTNER: Hi, Tracey. Thanks for coming out. Let me ask you a few questions, just trying to figure out a little bit about your background, no right or wrong answers. First of all, where do you live in Plattsburgh? Which street? [LB190]

TRACEY GARREAN: Pleasant Drive,... [LB190]

SENATOR KINTNER: Pleasant Drive, okay. [LB190]

TRACEY GARREAN: ...right down the street from the elementary. [LB190]

SENATOR KINTNER: Okay. I know right where it is. Your three-year-old is the older one, right? [LB190]

TRACEY GARREAN: No, she's younger. [LB190]

SENATOR KINTNER: Younger one, okay, so she's...okay, and you have the...was the older one in the program too? [LB190]

TRACEY GARREAN: Yes, sir. She...we started the program with her at 28 months,... [LB190]

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SENATOR KINTNER: Okay. [LB190]

TRACEY GARREAN: ...which was shortly before my third year...my three-year-old's first birthday. [LB190]

SENATOR KINTNER: Um-hum. [LB190]

TRACEY GARREAN: They're 16 months apart. They played well together. They did not play well with others, so. [LB190]

SENATOR KINTNER: After you had the first one in the program, you kind of learned a little about interaction and what was...what you needed to do to get your baby on the right track. Then you had your second child... [LB190]

TRACEY GARREAN: They were enrolled at the same time. [LB190]

SENATOR KINTNER: At the same time? [LB190]

TRACEY GARREAN: Yes, sir. [LB190]

SENATOR KINTNER: How far apart are they? [LB190]

TRACEY GARREAN: Sixteen months. [LB190]

SENATOR KINTNER: Sixteen months, there at the same time? Okay, so you were still learning...okay, I was going to ask you why you put the same kid in the program if you'd learned the stuff from the first. But you were still learning as you were going, right? Is that... [LB190]

TRACEY GARREAN: Yeah, and education is ever evolving. You know, everybody learns something new every day. So how, you know, if I would have enrolled one and then, you know, a year later enrolled the other, there's so much more new information, so much...you know, there's so much more out there that, you know, people know. I mean, 2006, everybody is like, well, this is a great idea. Well, it's 2013, and it's like, let's get in, let's get this done, let's get these people on board so that, you know, our state, our people, have a chance. We're not raising children. We're raising them to be adults. There's a big difference, and too many parents don't have the knowledge to know the difference between raising them...you know, they're just kids. They're going to do what they're going to do. Well, let's teach them to do the right thing. Let's teach them how to communicate. My three-year-old uses the...could read and, well, read and write. She could verbally speak her name by her third birthday. She knew her alphabet at two years old. She knew every single color by the time she was two and a half. And this a noncompliant child. This is a child that you would have, most likely, end up with



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outbursts because they don't want to conform or be compliant in the classroom. And she is compliant. She is on the right track to being emotionally ready for school, for kindergarten. I didn't have that luxury when I was little, and it's sad that it is a luxury. I didn't have that as a child. [LB190]

SENATOR KINTNER: Um-hum. [LB190]

TRACEY GARREAN: It wasn't for my parents' lack of trying. They just didn't know. [LB190]

SENATOR KINTNER: If you had a third child, would you know enough to just...to do all the things, now that you've been through two? [LB190]

TRACEY GARREAN: When I had my first, I thought I knew enough. [LB190]

SENATOR KINTNER: Right. [LB190]

TRACEY GARREAN: And I didn't. [LB190]

SENATOR KINTNER: Yeah, you don't know what you don't know, do you? [LB190]

TRACEY GARREAN: I thought I knew. It was...the program was introduced to me when my oldest was nine months old and she was not developmentally progressing. She had meningitis at five weeks old with high fevers. She wasn't meeting her physical milestones. And they called...they...my...well, my daughter's pediatrician had me call and have them come out and assess her to see if it was something that they could help out with so that she could be, you know, on target and not behind with her peer groups when she started kindergarten. And I was...I don't really know the word to say it without sounding hillbilly. I thought I knew. I thought I knew everything I needed to know to raise my little person to be a productive part of society instead of being somebody who just tears it down and, you know, they don't have a good future, they don't have, you know...they have all the fights. And I came from a home where, you know, my mother had four children and, at 17, she adopted a fifth. But we were all within 3 years and 14 days of each other. I was the youngest. I sat back, took notice. But I had two that were addicted to drugs and alcohol. I had my twin become a 16-year-old parent. You know, I thought I knew it all. But it wasn't until Amelia started having the emotional issues and I didn't know how to teach her, I didn't know how to get her to use her words, I didn't know how to make her understand what I understood as an adult, and that is why I enrolled my children. That is why I put us, not just my children, but I put us in the program where we work well as a team. [LB190]

SENATOR KINTNER: Thank you. You don't know how helpful it is to talk to somebody in the program and pick your mind a little bit, pick your brain, see where you are. And it

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really helps me a lot to understand it, so thank you for coming today. I appreciate everything you've said, appreciate it. [LB190]

TRACEY GARREAN: I appreciate the opportunity. Thank you. [LB190]

SENATOR MELLO: Senator Conrad. [LB190]

SENATOR CONRAD: Tracey, thank you so much for coming down and sharing your testimony and providing your personal experience. It's really helpful to our decision making. When somebody who hasn't had the benefit of sitting through the committee hearing like we have today might ask us about this issue, if...from your perspective, do you think that these programs--Sixpence, Head Start, or any sort of early childhood thing--is really about government, or is it about families? [LB190]

TRACEY GARREAN: Family. [LB190]

SENATOR CONRAD: Okay, thank you. [LB190]

SENATOR MELLO: Senator Wightman. [LB190]

SENATOR WIGHTMAN: Thank you. Thank you, Tracey, for being here. [LB190]

TRACEY GARREAN: Thank you. [LB190]

SENATOR WIGHTMAN: I think part of the reason that your children are as bright as they are is they have a very intelligent mother. [LB190]

TRACEY GARREAN: Thank you. I did graduate functionally illiterate. But I do try not to let that transfer onto my children. And it is because of the program that I have the tools that will allow them to be successful. [LB190]

SENATOR WIGHTMAN: Well, thank you for being here. [LB190]

TRACEY GARREAN: You're welcome. I appreciate the opportunity. [LB190]

SENATOR MELLO: Seeing no further questions, thank you again, Tracey, for your testimony today. [LB190]

TRACEY GARREAN: Thank you. [LB190]

SENATOR MELLO: Next supporter of LB190. [LB190]

JIM KRIEGER: (Exhibits 7 and 8) Good afternoon, Mr. Chairman and members of the

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Appropriations Committee. My name is Jim Krieger, J-i-m K-r-i-e-g-e-r. I am the vice chair and CFO of Gallup, whose international operations headquarters are in Omaha, and chairman of Nebraska's Early Childhood Business Roundtable. In one of the handouts coming around are other members of our business roundtable from around the state. I am here today testifying in favor of LB190 on behalf of the Early Childhood Business Roundtable, the Greater Omaha Chamber of Commerce, and the Nebraska Chamber of Commerce and Industry. The Early Childhood Business Roundtable is a growing group of statewide business leaders that believes early childhood needs to be a top priority for our state. And while there are many reasons why this should be the case, our main interest in conversations include about economic development, work force development, and the return on investment. We've been traveling the state for over two years now, meeting with local chambers of commerce, with local business leaders, local media in places such as Omaha, Lincoln, Norfolk, Kearney, York, North Platte, and this summer, Scottsbluff, in cooperation with Senator Harms. And we appreciate his introduction of this measure. Nationally, the average employee misses eight to nine days per year due to child-related absences, costing employers \$3 billion per year. Twenty percent of today's work force is functionally illiterate, and 50 percent of kindergartners start behind in school and typically stay behind. You see, once this begins, there's a compounding impact that, if you start behind, as in interest, it just...you compound how much further behind you are over time. You don't typically catch up. Today's economic research indicates we can achieve up to a 10 percent return on investment when we reach kids most in need of quality care early. Childhood environments, we feel compelled to raise awareness of this important issue and participate in the solution. The business community understands the concept of accountability of public dollars and return on investment. So they understand the importance of investing early when presented with the research and the facts. We've had the great fortune of having some national experts visit Nebraska in recent weeks, including Nobel laureate economist James Heckman, who was featured speaker at the Nebraska Chamber of Commerce and Industry meeting in February. I'd like to show you two of the slides that we use in our presentation materials around the state that are graphic depictions of the return on investment achieved by investing in early childhood education--this has been handed out in the package--and the top public investments by child age. The hard blue line represents the brain development in a child from zero to five. Unfortunately, at my age, it starts leveling out, okay, frankly much earlier than that, about postsecondary school. The investment at that age and time is represented by the dotted line, where you can see the great disparity of speed of brain development versus amount of investment in those early years. That's exactly one of the efforts here today we're trying to begin to solve. The second chart from Professor Heckman is the returns per annum on the unit dollar invested, okay. The greater impact, the greater return on investment made in early years dissipates over time in where the dollars get spent on postschool job training and so forth into the future; the greatest return on investments made in the early years. In two different studies we've seen from Mr. Heckman and Bernanke, it's been a 10 to 12 percent annual return on investment. Clearly, the most

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efficient, accountable, and highest return on investment occurs in the first five years. It will produce the future work force we need while reducing other demands on our tax dollars such as grade repetition, special education costs, work force training, welfare, and incarceration. In closing, let me just say that I was pleased to represent these same chambers of commerce with testimony in support of the Sixpence Early Childhood Cash Fund in 2006 and think it's proven to be quite a wise investment. Now it's time to step up our efforts, scale it up, if you will. As Appropriations Committee members, you're asked to consider a lot of worthwhile endeavors, but I challenge you to find one that can produce such a high rate of return for such a relatively modest level of expenditure. Between the efforts of state government, the Legislature, the business and local communities, the parents, the new Buffett Early Childhood Institute, the University of Nebraska, Educare expansions throughout the state, and various other entities and providers, great potential exists to make our state a national model for early childhood, and we're all greatly interested in that. Thanks. That's an exciting prospect for the business community, and we support it heartily. Thank you very much. [LB190]

SENATOR MELLO: Thank you, Mr. Krieger. Are there any questions from the committee? Senator Conrad. [LB190]

SENATOR CONRAD: Mr. Krieger, it's always a pleasure to see you. Thank you so much for coming in, and please extend our gratitude to those you represent before us here today, also for organizing on...around this issue all across our great state. Does this really tie into...I've had a chance to read over the interim period...I think there was a recent report put out by the national chambers of commerce in regards to some of their concerns with America's skills gap, so to speak, and what that means for our economic development efforts moving forward in this global economy. Does this effort really go into ensuring we can close that skills gap and have a productive and well-trained work force? [LB190]

JIM KRIEGER: Well, the short answer is yes. Time will tell, but the short answer is yes. See, what we're up to in zero to five years old is readiness for school and acceptance and openness to the learning environment. Without that, by the time we're in 7th grade or 10th grade or 12th grade or where the retraining then needs to begin, our acceptance and ability to grasp the change is much more difficult; much easier and better to do it right to begin with than to do it at 20 years old. [LB190]

SENATOR CONRAD: Right. [LB190]

JIM KRIEGER: So, yes, I definitely think it will help change that. [LB190]

SENATOR CONRAD: Great. Thank you. [LB190]

SENATOR MELLO: Senator Nelson. [LB190]

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SENATOR NELSON: Thank you, Senator Mello. Thank you, Mr. Krieger. Just one. Your roundtable membership--I counted quickly--there are about 60 people around the table. [LB190]

JIM KRIEGER: Um-hum, um-hum. [LB190]

SENATOR NELSON: Are these all businesses and corporations that will contribute toward this, I mean, as far as the private funds? Or are they just an advisory type of group? [LB190]

JIM KRIEGER: As we go around the state, Senator, we have large audiences, and people want to learn about the state of the union and what our message is. Those businesses have agreed to sign up and then receive continual information and be a spokesperson in their community in terms of their chamber, their Rotary, or what have you, whatever forum they have to help educate their constituencies locally. So those people have been, I'm going to say, boots on the ground in terms of helping to get the message out and keep the conversation flowing so that we keep local business leaders attuned to what's going on. We have not asked them for funding at all, in any sense. In fact, we make that as one of the promises as they sign up to help us communicate and educate, that there's no funding involved at this point in time. Now many have come up and said, how can we help? Okay. But that's the extent of any commitment. [LB190]

SENATOR NELSON: All right, thank you. That answers my question. [LB190]

JIM KRIEGER: Yeah. [LB190]

SENATOR MELLO: Are there any other questions from the committee? Seeing none, thank you, Mr. Krieger. [LB190]

JIM KRIEGER: Thank you very much. [LB190]

LAURA JANA: (Exhibit 9) My name is Dr. Laura Jana. It's L-a-u-r-a J-a-n-a, and I am a pediatrician, here officially representing the Nebraska chapter of the American Academy of Pediatrics. But I will tell you that I wear very, very many hats, all in the realm of early childhood. I've lived my 20-plus years of my professional life in the world of early childhood with one-year-olds, amongst others, and I want to talk to you a little bit about why this really...I actually have some information that might scare you beyond even what we've just heard in terms of inaction. But having done lots of national media, I'm going to first get to the punch line so that I don't lose the time to do it. And I will tell you that at the end of all of this I want people to be aware that poverty is a neurotoxin. This isn't a soft science. I come from the world of hard sciences. My parents are Harvard/Hopkins-trained academic pediatricians, and I trained in cellular molecular

biology and the neurosciences before I ended up owning a childcare center in west Omaha serving 200 children, before I wrote children and parenting books, and did what I do now. This is a hard science, and poverty is a neurotoxin right to the level of the neurons in the brain responsible for learning. All right, with that in mind, I'm going to tell you a few of the things I've done not because you need to know my C.V., but because this is coming together on many, many realms involving early childhood and what's best for our community and our society. I trained with one of the founders of the biggest early literacy programs in the country. I've been doing early literacy advocacy for 20 years, before we had functional MRIs to tell us what actually was going on in the brain, and it's long before one year of age where we see changes. We used to have to just count words at 18 months or at 2 years because that was the best marker we had. We now have neuronal markers, we have functional MRIs, and we know that what we're doing in early literacy and early education makes a difference from the time of birth and, actually, prenatally. We won't get into that, but it would scare you to know some of the things that can happen to children prenatally. I also had the opportunity to work with Dr. Spock, and I got far into the world of parenting, starting in the 1990s. And understanding where parenting has gone, where it's been and where it's gone, this is not a discussion about women in the work force, and this is not a discussion of whose responsibility, was it a parent's responsibility or someone else's. This is we are now much more informed about what it takes to develop the skills that we need children not only to succeed in education and then in work and then in life, but also their lifelong health is at risk. All right, so with that in mind, what I want to do is share with you a couple things that haven't been mentioned yet that scare me about what we stand to risk if we don't invest in early childhood. First of all, the brain science is very clear: 700 neurons per second being developed not in the first just five years, in the very earliest years of life. All right, now it's not all just neuron development. It's also pruning and making them more efficient and connect and do the jobs they're supposed to do. I will also tell you that I just came back from both the national and the global stage discussions on early childhood at Colin Powell's America's Promise summit last Monday and at the TED-Long Beach conference with global leaders talking about investing in early childhood. Here's the currency we're talking about in twenty-first century education: It's social-emotional learning. All right? Doesn't matter if you can memorize facts. We've got the Internet, okay? But we need kids to be trained in social-emotional learning. When does that occur? I wrote a book for the CDC's campaign on social, emotional, and cognitive development that's available to the public for free, government material. It is preschool play. It's three-year-olds. And if you haven't done anything about it by the time of three, you've missed a huge, three-year opportunity. The brain science is clear: Play is very important. I don't want anybody to ever listen to the word "play" again and not start thinking executive function skills, the ability to work in the work force, to organize thoughts, to change your course based on new information. That is what preschool play is. Okay, so the conclusion on the brain science is it is clear. And unless somebody has any more questions, we all know it's a critical foundation, all right? Now let me tell you what the threats to the foundation are, all right? We know that early

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childhood adversity is directly linked to the disruption of lifelong impairments, not just in learning and behavior but in physical and mental health. Now there's been a lot of discussion about the education side and the learning side, so let me jump to the other part of this equation that scares me. There are some of the biggest minds in pediatrics today who will tell you that we may well find out that Alzheimer's is a disease of childhood that manifests in adulthood. Okay, we're not quite there on Alzheimer's yet, but let me tell you where we are. There was a study called the ACE study of 17,000 participants looking at adverse childhood experiences. And the punch line, which is horrifying, is that there is a strong and graded response to the number of exposures to adverse childhood experiences. We're talking about neglect, social, emotional, physical abuse, all of those things. That's what we're talking about. Here's what happens. With four or more, we see significant, sometimes 20 times, increased risk in some serious health consequences above and beyond just learning. If I list them for you: alcoholism; depression; fetal death; heart, liver, and lung disease; lung cancers; teen pregnancies; sexually transmitted diseases; multiple partners; and early pregnancy. All right, so we now have to consider we're not just talking about educational success, how they start kindergarten, which is crucially important. We're talking about lifelong trajectories for children, especially those growing up in poverty, who I am deathly afraid will not be able to get off these life trajectories for learning or for health if we don't change how we look at the first five years. Not that fours and fives aren't important, but if we want to talk zeros to three, you do not build a house without a strong foundation. What foundation are we talking about? Prenatal, parenting, preschool, childcare, home visitation, all the things that, when I read the Omaha World-Herald and the comments in the write in about your thoughts, we seem to not be able to get past the stage where we know brain science is important but we don't understand why the programs that are actually doing it are the same discussion for lifelong health and lifelong learning. So with that, I'll just stop and take questions. [LB190]

SENATOR MELLO: Thank you, Dr. Jana. Are there any questions from the committee? Senator Kintner. [LB190]

SENATOR KINTNER: Thanks for coming, Doc. [LB190]

LAURA JANA: Sure. [LB190]

SENATOR KINTNER: What's the tie-in with lung cancer in this thing? How did we get in there? [LB190]

LAURA JANA: So the study I was referring to is called the ACE study, A-C-E for adverse childhood experiences. [LB190]

SENATOR KINTNER: Okay. [LB190]

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LAURA JANA: And it caught a lot of people by surprise in academic medicine because in the '80s and '90s there was a lot of research going on what diseases and predisposition. And what we saw was that people who were at risk for one were at risk for clusters, okay? In that case they said, let's look and see what we're talking about. And they looked at exposure to seven categories of adverse childhood experiences, very clearly defined, 17,000, statistically hugely significant in terms of the numbers, and found absolute strong and graded correlation. Again, people would have not been surprised if we said learning and ability to learn and word gap and things like that. But what we found was the correlation between all these health outcomes. The science, again, we're there with neuroscience because we can say that cortisol that's the result of toxic stress can damage neurons in the brain that are responsible for the ability to form new memories. We're there now. Can I explain to you how that's the case? No, but I can't think of a study, in terms of, like, the direct correlation with chronic obstructive pulmonary disease and adverse childhood experiences. But we now know that what we do, these adverse experiences--or the flip side of it is we invest to prevent them--that we have the ability to impact the developing...not just the brain but developing immune system, cardiovascular system, a whole lot of other systems that haven't quite been figured out here now. But there are over...I...there are hundreds of research studies. CDC has the information on the Web site. If you Google "ACE study," go to the CDC's Web site, it's stunning and it's shocking, and every pediatrician I talk to who hears it changes the way they practice in terms of taking the early childhood experiences that much more seriously. Learning was already compelling enough, brain development. You factor in all the lifelong health outcomes, and it scares me to think that we're not going to do something to level the playing field in the early years. [LB190]

SENATOR KINTNER: So the answer to my question was: We're not sure, but...it's tied in but we're not sure why. Is that right? [LB190]

LAURA JANA: Okay, and here's what I would say to you: In the world of science you can never say, with absolute certainty, anything. But nobody really questions now whether smoking causes lung cancer. Very similarly, I have yet to see a study that's struck people so hard and surprisingly that showed this absolute correlation between adverse experiences in early childhood that tie into the toxic stress we've heard about, tie into poverty, tie into brain development, that have a direct correlation with those diseases. I only wish we knew what the mechanism was, and people are racing to find it out. So do I know for sure why? No. Nobody quite knows what that is, but we sure know that we better be paying a whole lot of attention to it because it is correlated. [LB190]

SENATOR KINTNER: Thank you. [LB190]

SENATOR MELLO: Senator Conrad. [LB190]

SENATOR CONRAD: Doctor, thank you so much for your testimony. And I think that



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we've heard this afternoon about educational success. We've heard about work force issues and economic development issues. And what I'm hearing from your testimony is not only the consideration we should give when it comes to potential cost savings for medical treatments affecting this population now and as they age, but what you're really talking about is a quality-of-life issue for these individuals and these families as well. Is that right? [LB190]

LAURA JANA: Absolutely. And what we're really talking about...you had a really important point. As a pediatrician, I hear parents' stories and, again, it's an individual, it's an invest in the quality of life for that family, that child, that parent. But I don't care whether you're going to analyze this from an individual, a social return on investment, or a financial return on investment. What really makes me come here today and really want to get this across and answer whatever questions you may have is all of them are the...it's leading us to the same exact solution, and it is an investment in early childhood. And I speak to audiences of businesspeople. I speak academic medicine. I talk to four-year-olds, okay? So the point is: I can't think of something else where you've got as many entities in as many disciplines coming together and saying, this is the right thing to do. [LB190]

SENATOR CONRAD: Very good, thank you. [LB190]

SENATOR MELLO: Are there any further questions from the committee? Seeing none, thank you, Dr. Jana. Next testifier in support of LB190. [LB190]

MARK MUSICK: (Exhibit 10) Mr. Chairman and members of the Appropriations Committee, my name is Major General Mark Musick. That's spelled M-a-r-k M-u-s-i-c-k. And I'm here representing an organization called Mission: Readiness, and we're going to talk in support of LB190. Now while education is often discussed in terms of work force development, I am concerned, as a retired general, that our education system has also become a national security concern as well. In 2009 the Department of Defense released an astounding statistic: 75 percent of America's youth between the ages of 17 and 24 are ineligible to join the United States military because they're either poorly educated, physically unfit, or have a criminal record. I retired from the Nebraska National Guard in 2008, after 35 years of service. Today I am a member of Mission: Readiness, an organization of over 300 retired generals and admirals throughout the country who are alarmed that the number of young Americans disqualifying for the military service has grown to a full 75 percent. Now this is not a Nebraska issue. This is a national issue. But Nebraska can have an impact on it. Here in Nebraska, the poor education achievement is a primary reason why young people cannot join the military. At least 16 percent of young Nebraskans do not graduate on time. And even among those who do graduate, one in six cannot score highly enough on the military's entrance exam for math, literacy, and problem-solving skills. With your help, we can fix this problem. Research shows that early education improves academic skills, boosts

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graduation rates, and deters young people from crime. You and your colleagues face a difficult challenge as you work to balance the competing priorities during this legislative session. I am here to ask you to continue to support the early childhood education program to ensure the United States military and the Nebraska National Guard has a robust pool of qualified candidates in the coming decades. On behalf of retired army generals and admirals, Mission: Readiness asks you to support the \$10 million in Early Childhood Education Endowment for 2013, as proposed by Senator Harms. Preparing our young people for the education they need to defend our nation begins at preschool level. The retired admirals and generals in Mission: Readiness assert that Nebraska must increase investments so that all of our state's young can have the right to start out right, succeed in life, and contribute to our country, whether in uniform or not in uniform. Early learning programs like Sixpence greatly benefit for the most...to the most vulnerable citizens from homes that have few, if any, books or magazines to intrigue the children. High-quality early care and education is a smart investment that helps improve academic achievement and gives young people a better foundation and a better path for life, whatever they choose. Aside from giving kids a better way of life, early learning programs makes good economic sense. The costs of failure are just too high. Disadvantaged children who repeatedly fail in school do not simply disappear. Too often these children grow up to live troubled lives and their struggles are very costly to society. In fact, according to the Journal of Quantitative Criminology, children who drop out of school, abuse drugs, and become career criminals cost society an average of \$2.5 million each. The good news is that early education improves educational success rates and produces good, solid citizens. Research shows that the benefits of investing in high-quality early learning childhood education for an at-risk child far outweighs the cost. The HighScope Perry Preschool in Michigan saved nearly \$245,000 per child. And the Chicago Child-Parent Centers produced an amazing \$80,000 per child. Let's be clear: What's happening in prekindergarten classrooms today is going to have a profound influence on the state and our economy and our national security 20 years down the road. If we are to succeed in preparing today's young people for success in tomorrow's work force, we will need to work together and achieve comprehensive improvements in our education systems and supporting them. The retired generals and admirals of Mission: Readiness fully support the \$10 million proposed for the Early Childhood Education Endowment Fund. It is in Nebraska's interest to improve the quality and availability of early education and provide better resources for the children at every stage in development. We at Mission: Readiness consider this a national security issue because if we do not increase access and enhance the quality of our education system, we will face serious social and economic consequences and our national security will be at risk. Regardless of any military consideration, it's just the right thing to do for our children and for the future. Thank you for your time, and I appreciate the decisions you're going to have to be making. And I'll open it for any questions. [LB190]

SENATOR MELLO: Thank you for your testimony, General. Are there any questions from the committee? Seeing none, thank you. [LB190]

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MARK MUSICK: Thank you. [LB190]

KYLE McGOWAN: (Exhibits 11 and 12) Mr. Chairman, committee, my name is Kyle McGowan. I'm superintendent, Crete Public Schools, and thank you for this opportunity. I think there were a couple references made toward the testimony. I feel like the third goat in Three Billy Goats Gruff here a little bit, but I'll try to answer your questions. A lot of items have already been brought up, so I'm going to just narrow my testimony. Last Thursday I wrote a letter and let First Five pass it out to superintendents around Nebraska. Some of the more intelligent ones signed off on it, (laughter) and I have that here. Just to tell you a little bit about Crete, we're just 15-20 miles down the road. We have about four times the number of ELL students than the state average. We have twice as many students in poverty as the state average. We have less than the state average of students qualifying for free and reduced lunch. What I heard over and over again, of which I think you would all agree, is that when we talk about the infamous achievement gap, it doesn't start in seventh grade or ninth grade or fifth grade. It starts from birth. We have believed as a district, and fortunately I have a school board that is strong in their commitment to early childhood. When we had an opportunity to present a grant to Sixpence, we were fortunate enough to receive it and it fit perfectly into what we were achieving at Crete Public Schools. So with those numbers, according to the Governor's rankings, we do pretty well in writing and reading, and we shouldn't be. And we put a lot of our success on the amount of dollars and resources we've put into early childhood. So Sixpence has been very important for us. I'll tell you a little bit about how we use it. Here's a little piece of data I'm going to go over with, if I can pass this out? So let me just say this, as some more information is being passed out to you. In our first class of Sixpence that took place about four or five years ago we had 26 young women participating, and these were primarily teenage pregnant girls. Our first goal was to get them to graduate high school, and Sixpence was a part of that plan. One-hundred percent of those young ladies graduated high school or received a GED. Those are at-risk girls. Of that 26, 3 of them will graduate with a four-year college degree this year, 4 of them have a two-year associate's degree, and 7 of them are currently enrolled in postsecondary. So 14 out of that 26 went on to receive an education beyond high school, which we're incredibly proud with, and we're hoping that their kids soon enroll at Crete Public Schools. If you'd take a look at this little piece of data, again, this is from one school. It's not a national study, but I'll just walk you through it quickly. This is from our 2011-12 kindergartners and the effect that we think our preschool had. There were 147 of them that year; 83 of those kindergartners participated in at least one year of our preschool program. To participate in that, you had to have at-risk characteristics. Seventy-two percent of those children, of those 83, didn't speak English. Our goal is to have all of our kids graduate with all the skills necessary in English. So, of those 83...and DIBELS is an early literacy test that's pretty common to use as you judge the reading skills and capabilities of kids. So the DIBELS test is the instrument that we used. Fifty-three percent of those 83 kindergartners passed that test or are at

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benchmark. Thirty-five of the eighty-three kindergartners were with us two years. They were at the most at risk, so they were with us as three- and four-year-olds; 65.7 percent of those were at benchmark with DIBELS. The blue is the comparison of the 64 kindergartners that didn't attend one of the Crete schools. You can assume, from that 64, that they were attending private preschools or were what I would consider more middle- or upper-income class for Crete. The standard there was 45 percent of them were at benchmark. So we felt that the...our preschool program was very successful. We strongly support Sixpence. We hope to continue to take advantage of it. Having the extra dollars will just allow us to serve more families. I would be happy to answer any questions. [LB190]

SENATOR MELLO: Thank you for your testimony, Mr. McGowan. Are there any questions from the committee? Senator Nelson. [LB190]

SENATOR NELSON: Thank you. I appreciate the information and your coming today. I'm not familiar with...what's CPS? [LB190]

KYLE MCGOWAN: Crete Public Schools. [LB190]

SENATOR NELSON: Crete Public Schools? [LB190]

KYLE MCGOWAN: Crete, um-hum. It's a code. (Laughter) [LB190]

SENATOR NELSON: Okay, well, you have early childhood programs there? [LB190]

KYLE MCGOWAN: For several years now, yeah. [LB190]

SENATOR NELSON: Okay. But this...all right, this is all with regard to prekindergarten. Is that what PK stands for? [LB190]

KYLE MCGOWAN: Correct. [LB190]

SENATOR NELSON: All right, thank you. [LB190]

KYLE MCGOWAN: And no, that's a good question because most of our emphasis has been on serving three- and four-year-olds. The Sixpence allows us to really give the prenatal care that was being discussed before and the early start. So that's a great question. [LB190]

SENATOR NELSON: All right, thank you, appreciate it. [LB190]

SENATOR NELSON: Senator Wightman. [LB190]

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SENATOR WIGHTMAN: Thank you. Thank you for being here. I come from a town that has much the same at Lexington, Nebraska. [LB190]

KYLE McGOWAN: Um-hum. [LB190]

SENATOR WIGHTMAN: I think ours might be a little higher, as far as second language, than yours, but certainly we have much of the same problems. That sounds like you've done very well at Crete to try to at least understand the problems and to do what's necessary to get ahead of it. Percentagewise, how many of your students under age...well, you said three and four, most of them. Is that right? Is that where you start the program? [LB190]

KYLE McGOWAN: Well, now that we have the Sixpence Program, we're serving today 190 children between the ages of birth through four. [LB190]

SENATOR WIGHTMAN: And you're doing all of this...putting...now would it be kind of standard percentage of students at all of these ages, or would it be more in the three- and four-year-olds? [LB190]

KYLE McGOWAN: More in the three and four because our Sixpence money really is working with that zero to three. So we would have under 20 children in that zero-to-three category. [LB190]

SENATOR WIGHTMAN: Is your city itself pretty supportive of the entire program? [LB190]

KYLE McGOWAN: Yeah, very supportive. In fact, it doesn't happen without the community and the churches and the private business and the partnerships that we have. For the school...the school truly believes that if you serve the whole family...so if you're working with a mother that is with child and you're helping her have prenatal care, there is a benefit to us down the road. It...the \$10 million for Sixpence won't improve the graduation rate next year, but I think it will in several years. So it is definitely looking further than five years down the road or even ten years down the road. So we think it's worth the investment. [LB190]

SENATOR WIGHTMAN: Thank you. I do see that Lexington was one of the communities that there wasn't enough money to fund the time before, so you were quicker at getting to that. (Laugh) [LB190]

KYLE McGOWAN: (Laugh) Maybe. [LB190]

SENATOR WIGHTMAN: Thank you. [LB190]

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KYLE McGOWAN: Yes. [LB190]

SENATOR MELLO: Senator Kintner. [LB190]

SENATOR KINTNER: I'm going to ask you a little more philosophical question. Doesn't have to do with the bill, but you're an expert and you're sitting before me. Have we gone beyond the...is the cat out of the bag, is the camel's nose so far in the tent that we're going to have a welfare state forever, trying to clean up after bad parenting decisions, abused kids, kids in bad situations? We're having the government step in and do things that 50 years ago we would never have thought of asking the government to do. Are we forever going to be down this path of throwing in more and more government programs to solve more and more of these problems as there's a, I don't know, lack of responsibility? You might be able to tell me better what you think are the problems. Are we gone beyond any possible way of turning this whole thing around, trying to make people responsible for their own life, and trying to get government out of it? I think we have, but maybe...in your professional opinion...you've probably watched it go down a little further down the road with more and more government stepping in and doing what the family used to do, what the extended family did. Where do you think we are and, kind of, how you think we got to where we are? And there's no right or wrong answer. [LB190]

KYLE McGOWAN: Sure. [LB190]

SENATOR KINTNER: I'm just wondering. [LB190]

KYLE McGOWAN: No, and I understand the question because we have these discussions in the community, too, and a lot is placed on schools. Schools are expected to address a lot of issues. And I've really come full circle on the discussion. I remember, as an elementary principal, thinking, why in the world do we need full-day kindergarten, we don't need full-day kindergarten. When we started at Crete, only 20 percent of the schools in Nebraska had it. Now my guess is that almost 100 percent of the schools have it. Really, how I tend to answer that is I consider, first of all, school a government program. And I really say this in the most respectful way. But we're going to have early childhood programs at Crete whether you fund it or not. We're going to find the monies because it's a great investment and our community wants it. So if we count on the government to help us all the time, then we're really not empowering ourselves. Now I hope I don't have to have a pancake feed. But if we do, we'll get Farmland to donate the sausage, and we'll get, you know, the Kiwanis to come down and help us out. But it sure would help if we could just have some of our tax dollars used for this purpose. [LB190]

SENATOR KINTNER: Thank you. Appreciate it. [LB190]

SENATOR MELLO: Are there any further questions from the committee? Senator

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Nelson. [LB190]

SENATOR NELSON: Thank you. I...this is very informative here, as far as your preschool. And you brought this...you know, mentioned the fact that 72 percent are second language and many have no English. What...how do you address the English problem, you know, at that early age between one and three? [LB190]

KYLE McGOWAN: Well, actually, it...the simple answer is there is a lot of immersion. [LB190]

SENATOR NELSON: Okay. [LB190]

KYLE McGOWAN: If you speak English all the time...and all the research, of course, on learning a second language would be to do it during that developmental time of before the age of three. So, really, what we find in our...we have very happy kindergarten teachers. And that's actually why we started our first preschool program is because we had so many kids coming into kindergarten not speaking English. So I'll...the...our preschool is very verbal, and over a period of time the kids pick up English very well. [LB190]

SENATOR NELSON: After they reach a certain age, I suppose, you know, 18 months or...I'm just speculating here. I don't know. [LB190]

KYLE McGOWAN: Sure. Now in terms of...the preschool I talked to you about is with three- and four-year-olds, and that's center based. Prior to three-year-olds, we're sending our staff and teachers out into the home. [LB190]

SENATOR NELSON: Okay. [LB190]

KYLE McGOWAN: And so that is just, certainly, a goal for our preschool is for our kids to have those verbal skills developed at those benchmarks and to work toward English. [LB190]

SENATOR NELSON: All right, thank you (inaudible). [LB190]

KYLE McGOWAN: Um-hum. [LB190]

SENATOR MELLO: Are there any further questions from the committee? Senator Bolz. [LB190]

SENATOR BOLZ: I was just curious if you could articulate any concrete impact that this program has had on your K-12 budget. Do you see yourself hiring fewer paraeducators or less special education funding? Are you having an impact that you can see once the

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kids enter the K-12 system? [LB190]

KYLE McGOWAN: The money that we get gives us an opportunity to expand our programs. I think...tell me if I'm getting the question correct. But I feel that we have to provide less interventions because...for instance, I mentioned our special education numbers. Demographically you would see that there's a larger tendency to have bigger numbers of minorities overrepresented in special education. We actually have fewer special education numbers than what the state average is. So that alone would be one concrete piece. But we feel that there is less interventions that we have to use with the children that come through our preschool. [LB190]

SENATOR BOLZ: Um-hum. That's helpful. Thank you. [LB190]

KYLE McGOWAN: Yeah. [LB190]

SENATOR MELLO: Are there any further questions from the committee? Seeing none, thank you, Mr. McGowan. Next testifier in support of LB190. [LB190]

TED STILWILL: Senator Mello, members of the committee, I'm Ted Stilwill, T-e-d S-t-i-l-w-i-l-l. I'm the CEO for the Learning Community, and I'm here because the Coordinating Council for the Learning Community, our governing body, voted to support this piece of legislation. It's the only piece of legislation they voted to support that wasn't directly, immediately germane or didn't have the Learning Community in its name, so. And I think the council voted to support it for all the reasons you've already heard. I just want to put a finer point on some of what you've heard already. If Dr. Jana indicated that, in terms of brain development, poverty acts like a neurotoxin, actually inhibits brain development, there's really good evidence for that. I want to go back on the human capital side. You've heard from generals, businesspeople, and so on that that's a really important aspect of early childhood. I want to just be really clear about that, that poverty, if you're thinking about human capital development and education's role in economic development and preparing an educated work force, poverty is sort of like the cancer of human capital. And there's really good evidence of that. If you look at students in the 11th grade in Nebraska, if you look at the 11 districts in the Learning Community, about a third of the kids in 11th grade are not proficient in reading or in math. And that means generally, while that's an interesting statistic and it seems to be a little troubling, it means that about a third of the kids, year after year--because while we're making improvements we're not making enough--but a third of the kids, year after year, go into the work force unable to get a really good, high-quality, entry-level job because they can't read well enough or they can't do math well enough. It also means they can't get into a program at a community college. They may be accepted into the community college in developmental ed or remedial education, but they can't get into a program that will get them a decent job and a decent wage and be able to support a family. That's a big deal. That's a third of the work force. And if you look at the most obvious



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reason and you kind of break apart the data, what's really happening to cause that, it's the fact that those kids, all the way through, have oftentimes come out of families in poverty. In the education world, we talk about poverty as free- and reduced-price lunch count. Well, I want to tell you about a little bit different slice of data. As has been noted in the committee hearing, free- and reduced-price lunch is about 185 percent of poverty. But if you look at the population of families in Nebraska that are 100 percent of poverty, then I'll tell you what the difference is. If you're a mom with two kids and making \$685 a week, you can qualify for reduced-price lunches. If you're at 100 percent of poverty, that same family is making about \$360 a week. That's not a very good wage, and with that comes all kinds of problems, and I can detail those if you like. But those...that degree of poverty, which I think you're probably aware of, but in case you're not, that poverty, that rate of poverty, family of 100 percent poverty are increasing dramatically across Nebraska. When I look at the Learning Community and the data there, it's an increase of 43 percent in the last ten years of families in 100 percent of poverty with school-aged kids. It's worse if you look at families with kids under five. Now across Nebraska, if you look at the presence of families with school-age kids at 100 percent of poverty, one out of eight families, and they're not equally distributed across the state. You've heard from some districts and some communities today that have higher degrees of poverty, higher degrees of populations that don't speak English. Now I've also heard you talk about, you know, what's going to happen here, what's, you know, what's the best cure, are we down a road here. Well, I'll tell you, the cure, the antidote, if you will, for that cancer on human capital is early childhood education, pure and simple. Thank you. [LB190]

SENATOR MELLO: (Exhibits 13, 14, 15, 16, 17, 18) Thank you for your testimony, Ted. Are there any questions from the committee? Seeing none, thank you. Are there any other testifiers in support of LB190? Seeing none, we have letters of support for the record from: the Nebraska State Education Association; the University of Nebraska; Building Bright Futures; Fight Crime: Invest in Kids; the Nebraska Association of Social Workers, Nebraska chapter; and a letter of support from Educare of Omaha. Are there any testifiers in opposition to LB190? Seeing none, are there any testifiers in the neutral capacity on LB190? Seeing none, Senator Harms, you wish to close? [LB190]

SENATOR HARMS: Thank you, Senator Mello. I missed some of the testimony, of course. I had two other bills. But I will tell you that I think you've heard some really good testimony today. And now we have to filter through all that information to see what role we should play and how...what kind of a priority it ought to be. And I would hope it would become a top priority for us to be able to fund this, to move forward. We've heard a lot of good information. And we've also realized that the number of children that are at risk we cannot continue to allow this to happen in this great state. So I appreciate your patience and kindness. And I was surprised that we had this many people testify, but it's nice and at least we now know how a lot of the public feels. So I'm happy to answer any questions. [LB190]

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SENATOR MELLO: Thank you, Senator Harms. Are there any questions from the committee? Seeing none, that will close today's hearing on LB190. And the committee will continue on to LB432 and then LB193, and then take a brief break before we start agency hearings. (See also Exhibit 37.) [LB190]

SENATOR PRICE: I know how to clear out a room. (Laughter) [LB432]

SENATOR MELLO: Good afternoon, Senator Price. [LB432]

SENATOR PRICE: Good afternoon, Senator Mello, members of the Appropriations Committee. My name is Scott Price, S-c-o-t P-r-i-c-e. I represent the 3rd Legislative District, Sarpy County, which has the wonderful cities of Bellevue and Papillion encompassed and some unincorporated areas. The bill before you today, LB432, is somewhat smaller than the preceding bill and thankfully so, but I believe it actually ties into what you just heard. And this is a bill that would...that deals with the education compact, the equal opportunity compact for military children. And we had heard this bill a couple years ago where we decided to join into a compact, and in doing so--and I'm going to get...I'm getting to the Reader's Digest version for you, for your time--the state went ahead and joined the compact and put in \$27,000 for the compact to fund \$1 for each child that was in the compact, and a partial FTE for the Department of Education, and some travel. And there were two bills that year: one was by Senator Cornett, one was by myself. And through the grace of committee process, my bill became the one that had her, Senator Cornett's, language. In that, Senator Cornett had gone ahead and said that we would try to raise money up in the private community. I've been out there meeting with people but what we came up to was basic concepts. One, I feel that this is a state obligation. We are talking about education for our K through 12 children, first and foremost. Second of all, the number comes in much smaller, which is good. Turns out that the need for about \$6,000 for the \$1 per child, and about \$4,000 will cover the mandatory trips, which is about \$1,100 to \$1,200, as our representative, the second in command over at the Department of Education, goes over into an annual meeting he's required to attend. And the rest lies there in case there is some type of action that has to be taken and funding the legal fees for this. By setting the new appropriation at \$10,000, what we'll do here is we'll build up a little bit of a cushion because we only anticipate two, maybe three of these a year. When we don't have them that will accrue, in case we have a year that has four or five of these cases that have to be resolved. Again, for those members who were not available to be here, I'll give a brief overview of the compact. What this does is the dependent children of military members get uprooted and moved in the middle of school years. I was a dependent child; I moved in the middle of the year; I moved. My oldest brother, who had to move between his junior year of high school and senior year of high school, very traumatic and it led to his untimely departing from this world. That being said, when you have children move across, and let's say they move and they get...they're in sports and they miss a cutoff date to participate. Well, guess what? Under this bill that we have in the compact, by

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working with other states, they would be waived of that date line. Now they still have to qualify. You know, you still have to meet all that. What's great about the Bellevue community is Bellevue, Papillion, I would submit Omaha, they know this, they're used to it and they do most of this. But we have just gone through a period of time when we've had the largest deployment of Nebraska Guard since World War II. A lot of people don't know that. And all these military members move around. Some people come here and retire and it would be good for their...it's good for their children. If you're in the state of Illinois, you have to take an Illinois State Constitution course to graduate. So you take that course. Maybe you slide that in, in your junior year, and then you're transferred to another state and they have a different requirement. Well, you'd be waived. You did one constitutional course, that's good. And there are a few other things that happen and transpire that most people don't know happens, because at any one point in time, only 1 percent of our population is serving. Only 3 percent of our population has ever served. Now again, in Bellevue, Papillion, the Omaha metro area, we have a large concentration. But that is the impact. That is what we're talking about here and my goal and wish is for the committee to find a way to meet this obligation that the state has in K through 12 education. [LB432]

SENATOR MELLO: Thank you, Senator Price. Are there any questions from the committee? Senator Nelson. [LB432]

SENATOR NELSON: Thank you, Senator Price. Thank you, Senator. I don't remember that much about LB575 but what's the \$10,000 going for, administrative expensive in the Department of Education? [LB432]

SENATOR PRICE: No, it goes...no, actually that's a wonderful story here. They're not charging enough for the partial FTE to do it. What it goes for is \$1 per child, which can go up and down, it can fluctuate. For every \$1 we have that's in the...for every child we have in the compact, it's about \$1, there's a \$1 charge. That's \$6,000 out of the \$10,000. Then the representative has to go to one national meeting a year, as a member of the compact, so that's about \$1,200, give or take what the plane tickets cost, everything. So that's for that travel. And the rest is the legal fees that it costs for if there is a situation where someone is contesting a record or a move. The bottom line there is we don't see a lot, but we didn't have anything to go with because Offutt Air Force Base used to do this through their JAG. They never kept records. So we're wagging on this and so far we're within that ballpark. I think using a prudent member methodology, we'll be fine. And again, we reduced it from a \$27,000 initial that we went through, and that's not in my bill but just going into it, down to \$10,000 now. [LB432]

SENATOR NELSON: Thank you very much. [LB432]

SENATOR PRICE: You bet. [LB432]

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SENATOR MELLO: Are there any further questions from the committee? Seeing none, thank you, Senator Price. [LB432]

SENATOR PRICE: Thank you, Senator Mello. [LB432]

SENATOR MELLO: That opens up the testimony on LB432. Are there any testifiers in support of the legislation? Seeing none, are there any opponents, LB432? Seeing none, are there any testifiers in the neutral capacity? Seeing none, Senator Price...Senator Price waives closing and that will end today's hearing on LB432 and take us to our next bill or last bill of the day, LB193, from Senator John Nelson. [LB432]

SENATOR NELSON: Good afternoon, Chairman Mello and members of the Appropriations Committee. My name, as you know, is John Nelson, spelled J-o-h-n N-e-l-s-o-n, and I represent District 6 in central Omaha. I am here today to introduce LB193. Under current law, the Legislature is authorized to make General Fund transfers over the next six years to the Nebraska Cultural Preservation Endowment Fund. The transfers would be made in increments of an amount not exceeding \$500,000 annually from 2013 through 2018 as a dollar-for-dollar match of private contributions to a qualified endowment. The earnings from this fund are used to support arts and humanities programs statewide through the Nebraska Arts Council and the Nebraska Humanities Council. Recently, the Johnny Carson Foundation made a \$1 million private contribution to a qualified endowment which is available for a dollar-for-dollar match by the state. Under our current law, Nebraska can match only \$500,000 in 2013 and the unmatched portion of the private contribution will have to be carried over to 2014. So LB193 will allow the state to fully match the \$1 million private contribution in 2013. The match will potentially increase the amount of interest income generated and enable the Nebraska Arts Council and the Humanities Council to seek additional private contributions that would be used for triggering the state match. Under LB193 the state will remain authorized to match \$500,000 of private contributions in 2014. LB193 will then authorize the state to match \$750,000 annually in 2015 and 2016. Finally, LB193 will eliminate the state's authorization to match private contributions in 2017 and 2018, therefore, there will be no increase in the total General Fund transfers. LB193 is important for helping the Nebraska Arts Council and Nebraska Humanities Council make the best use of their resources. Earnings from the fund cannot be used unless an equal amount of money is raised by the private sector. Pamela Snow, executive director of the Nebraska Cultural Endowment, is here, and she will be able to provide you with additional information on LB193 in her testimony. She can answer any questions that you may have related to the bill or the Cultural Endowment. I urge the committee to support LB193, and I am willing to take any questions. [LB193]

SENATOR MELLO: Thank you, Senator Nelson. Are there any questions from the committee? Seeing none, thank you. We'll go to proponents of LB193. [LB193]

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PAMELA SNOW: Good afternoon. [LB193]

SENATOR MELLO: Good afternoon. [LB193]

PAMELA SNOW: (Exhibit 19) Senator Mello and members of Appropriations, thank you very much for giving me the opportunity to testify on behalf of LB193. Senator Nelson, thank you for introducing the bill, and thank you to Senators Mello, Davis, Gloor, Harms, Hansen, Kintner, and Nordquist for supporting it. As you know, the Nebraska Cultural Endowment is the private partner in a public-private partnership with the state of Nebraska charged with raising the private match to access the income from and to facilitate the transfer to the public fund known as the Cultural Preservation Endowment Fund, a fund that is owned and managed by the state of Nebraska. In 2008, LB1165 added \$5 million to the Cultural Preservation Endowment Fund, provided the Cultural Endowment match the increase with private contributions. As the recession deepened in 2009 and 2010, the Cultural Endowment, in partnership with the Nebraska Arts Council and the Nebraska Humanities Council, volunteered to reduce the amount of annual transfers to the public fund and increase the time frame over which those transfers occurred. In 2011, the Cultural Endowment and partners testified in a neutral capacity on a bill that suspended the transfers to the public fund for the biennium with the intent of resuming the transfers at the end of 2013 at \$500,000 per year over the next three biennia. The last transfer, as Senator Nelson mentioned, was scheduled to occur in 2018, and although our...we...the transfers were suspended, we did not suspend our fund-raising efforts. And, as Senator Nelson said, last year a donor was interested. The John W. Carson Foundation was interested in giving the Cultural Endowment \$1 million with the expectation that that million dollars would serve to increase the public fund by the same amount. LB193 provides a revised schedule for transfers, as Senator Nelson said, that honors the expectation of the John W. Carson Foundation gift and increases the Cultural Preservation Fund by the remaining \$3 million over the next two biennia. But what is most important, however, is what the passage of LB193 will do to serve and enhance the educational opportunities in the arts and humanities in communities across our state. The income from the Cultural Preservation Fund, accessed through private contributions to the Cultural Endowment, supports 35 percent of the Arts Council's basic support grant for arts organizations such as the Bassett Arts Council, the Omaha Symphony, the West Nebraska Arts Center; supports Prime Time Family Reading Time, a statewide literacy program; and Capitol Forum, a civic engagement program on America's future for high school students that is held here in the Capitol; and is the sole provider of outreach programs such as the Lied Center for the Performing Arts' Arts Across Nebraska Program. Increasing the public fund by \$3 million over the next four years instead of six will accelerate the council's ability to do what they have been so good at doing for the past 40 years: providing support and programming in the arts and humanities that enhance our children's education and strengthen our Nebraska communities. I will be happy to take any questions should you have any. [LB193]

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SENATOR MELLO: Thank you, Pamela, for your testimony. Are there any questions from the committee? Seeing none, thank you. [LB193]

PAMELA SNOW: Great. Thank you very much. [LB193]

SENATOR MELLO: Are there any other testifiers in support of LB193? Seeing none, are there any opponents to LB193? Seeing none, are there any testifiers in the neutral capacity? Seeing none, Senator Nelson, would you like to close? [LB193]

SENATOR NELSON: My only comment is I hope the committee will be as good to us as we were to you with the small amount of time that we confused. I simply want to point out, in addition to the testimony, that there's very good information here about the Nebraska Cultural Endowment that, if you have questions, I think will answer those. Basically, this is just an acceleration. We're a little better off fiscally now than we have been in the past several years, and it would be a great help to us to be able to do twice the amount of \$500,000 this next year and then spread it out over the remaining time. Thank you very much. [LB193]

SENATOR MELLO: Thank you, Senator Nelson. Are there any questions? Seeing none, that will close today's hearing on LB193, and we will take a brief, five-minute break and resume at 4:50. (See also Exhibit 37.) [LB193]