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Education Committee
November 19, 2014

[LB497]

The Committee on Education met at 1:30 p.m. on Wednesday, November 19, in Room 1525 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB497. Senators present: Kate Sullivan, Chairperson; Jim Scheer, Vice Chairperson; Al Davis; Ken Haar; and Rick Kolowski. Senators absent: Bill Avery; Les Seiler; and Tanya Cook.

SENATOR SULLIVAN: Very good. And with that, I think we will start since it is right at 1:30 and we try to be prompt with these Education hearings. Thank you all for being here, and thank you, Broken Bow, and Alliance, as well. I'm Senator Kate Sullivan, Chair of the Education Committee. I represent District 41. I'm from Cedar Rapids, Nebraska. And we are dealing with almost all members of the committee, but I'd like them to introduce themselves. I'll start with the Vice Chair, Senator Scheer.

SENATOR SCHEER: Jim Scheer from District 19, which is Madison and a little bit of Stanton County.

SENATOR DAVIS: I'm Al Davis from northwestern and north central Nebraska. Alliance happens to be in my district, so, hello, Alliance.

SENATOR KOLOWSKI: Rick Kolowski, District 31, from southwest Omaha area. Thank you.

SENATOR HAAR: I'm Senator Ken Haar, District 21 which is northwest Lincoln and part of rural Lancaster County.

SENATOR SULLIVAN: I believe Senator Les Seiler from Hastings will be joining us, but, unfortunately, Senator Bill Avery of Lincoln and Senator Tanya Cook of Omaha are not able to join us. We also have the Education staff here. To my immediate left is Tammy

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Barry, one of the legal counsel, and LaMont Rainey up against the wall over there is one of the legal counsel. And to my far right is Mandy Mizerski, the committee clerk, and she will be making sure that all of the testimony that we hear today will be appropriately recorded and documented. We also have a page helping us, Jonathan Beck who is from Seward. Just by way of background, what this hearing is all about, it comes as a directive from a bill that we passed last session, LB497. And that legislation directed the Education Committee to study the potential uses of the lottery dollars. And by background, our constitution spells out that of the dollars that come in from lottery...purchase of lottery tickets, after the payout of prizes and expenses and a certain amount that goes to the Compulsive Gambling Fund, the constitution says then 44.5 percent of that remaining pot goes to support education. That's what it says. Then it's up to the Legislature to provide...to decide how those funds will be used and distributed. So that's one of our tasks today because the current uses of those lottery dollars in education actually sunset in 2016. And that was an intentional move by former members of the Education Committee believing that it was important to revisit those uses and decide under current conditions if that's the most appropriate thing to do. So that's our task and that's why this hearing is important because ultimately, based on the information that we'll hear from all of you, it will be the Education Committee's responsibility to craft legislation this coming session. As a...I welcomed Broken Bow and Alliance. We are having two remote sites today, which is a little different for our usual public hearing, but we are very glad to have both of those sites on board with us. The Broken Bow High School is the site in Broken Bow. And we thank Jody Suchan, the hearing administrator, for volunteering to help us keep the accurate record, and also, from the technology standpoint, I think John Stritt, who I think maybe we're seeing on the monitor right now. The other site is the Alliance School Administration Building. Lori Watson is on hand there, who is the hearing administrator, and providing technology support is Kurt Zadina and Heidi Manion. I would like to get a sense at this time just how many people are planning to testify at all three sites. So if at all three sites, Broken Bow, Alliance, and here, could I please have a show of hands as to how many will be testifying? Okay. And, Broken Bow, can you tell me how many? One, at Broken Bow.

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And at Alliance...

_____ : We're figuring about five or six, please.

SENATOR SULLIVAN: (Exhibits 1, 2 and 3) Okay, very good. I'm glad to see so many people planning to testify, but in light of that, too, we are going to limit testimony to three minutes. And just, too, since we have just one person at Broken Bow, I think, just from an efficiency standpoint, we'll probably start with Broken Bow. And...but even though we'll probably just have the one person testifying from Broken Bow, we'll keep that site live for the whole time so that they can also watch the hearing as well. Okay. Oh, and I don't think that this will be an issue, I think we will be able to finish by 5:00. But that was just a note, too, that the remote sites need to go off air by 5:00. So that was the other thing, that we wanted to make sure not only that everybody had a chance to testify, but that we hopefully were able to get all the testimony in by 5:00, so Broken Bow and Alliance could see it all. So the logistics of the hearing today, some of you are very familiar with it, maybe some of you aren't. But first of all, the first order of business for those of you testifying is to pick up a green sheet that should be in the back of the room here, and somewhere in the rooms at Broken Bow and Alliance. You need to fill that green sheet out in its entirety, printing your name, because this will be the name that's entered onto the official record of the hearing. If you don't wish to testify but want your name to be entered into the record as having been here, then feel free to...I think there's a sheet to do that as well. Please fill out that green sheet before you testify, but when you do come up, then hand it to Mandy here at...here in Lincoln, and in Broken Bow and Alliance, hand it to the hearing administrator. If you have documents that you would like to share with the committee, we ask that you have 12 copies. At the remote sites, we still need those additional copies, but then they will be sent here to Lincoln and we'll make sure that they get distributed to all members of the committee. When you come up to testify, please speak very clearly into the microphone. Tell us your full name and please spell both the first and last names. And again, this is very important out in Broken Bow and Alliance so Mandy, our committee clerk, can recognize those names

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when she starts to do the transcript of the hearing. Almost goes without saying, but I always make mention of it and that's, please turn off any cell phones or beepers or pages so as not to distract the people who are testifying. And, of course, again, also, this is usually not a problem, but no outward displays of support or "three cheers" or anything like that. We...as I said, you can indicate your name on a sheet of paper. If you don't wish to testify, you can also send or admit a letter of support. And we've also at this point received several of them. We received actually quite a lot of letters, from 27 or more to be exact, from people in the high-ability learning area, and it's not just because my daughter teaches in that area. (Laugh) And we've also for the record received letters from the following: Tip O'Neill, President of the Association of Independent Colleges and Universities; Dr. Jon Habben, executive director of the Nebraska Rural Community Schools Association; and Robin Stevens. And we've also received five letters or e-mails regarding BlendEd and/or distance learning funding. So I...unless Mandy tells me any different...have I covered it all, Mandy? Okay. Very Good. So, again, I'm thrilled that you're all here, and we look forward to your testimony. And with that, I'd like to ask Broken Bow to be our first testifier.

JOHN STRITT: (Exhibit 4) Okay. I'm John Stritt, J-o-h-n S-t-r-i-t-t and I work at ESU 10 and support distance learning in ESU 10 and 11. I really didn't plan on testifying today, but since there's only four of us here and none of the others are going to testify, I wanted at least give those of you that are on the committee the experience of having a remote site presentation. So, I'll just give a few real brief remarks. I, like others who are testifying today, will be putting forth ideas that you should consider that support the idea of innovation or measurable change as a result of future investments through the Education Innovation Fund. I would just have you consider some of these worthy investment opportunities that hopefully these dollars could be spent for. Should students...all students be provided an equal opportunity for Chinese, for digital media, organic chemistry, and maybe many others? Should all students have career readiness preparation? Should students be interested in getting an early start on their postsecondary education? Should K-12 students, all students, experience remote

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learning experiences that enhance their curriculum? And should all students have multiple paths to these resources? I would suggest that LB1208 partially met these and I would advocate that putting a new spin on this model would be very advantageous for Nebraska students. And this would be in the area of videoconferencing, enhancing on-line learning opportunities, and also an enrichment. I'm just going to conclude with that in saying that that is some of the options that I think could be very beneficial, and I think the key word there is "innovative" in this instance in that it's innovative and it's measurable and that there are outcomes. Thank you for your time and we do appreciate having the opportunity to present this from a remote site.

SENATOR SULLIVAN: Thank you, Mr. Stritt. Would you be available for a few questions?

JOHN STRITT: I sure would.

SENATOR SULLIVAN: Okay. You're right that the committee has looked at the whole arena of innovation with respect to the use of these funds, but I'd like to know...you gave us a whole list of possible ideas. Have any idea on how, or the process that could be used to prioritize some of those knowing that it would be probably impossible to focus on all of them?

JOHN STRITT: I think the key thing on this is equity for students throughout the state. And you've heard this again with the BlendEd, and you're probably going to hear it as well, is that there, particularly in our rural districts, outstate Nebraska, if you say...and even within the ESU 10 of Kearney area, we, at most of our schools, aren't going to have the access to career readiness unless it's going to be provided either from a large school district where it's some kind of consortium type of ability, or in the instances that we've been getting a little bit of that, is over videoconferencing. One thing that we haven't done a very good job with is on-line learning. And I guess I think that's a focus that we could develop in a better fashion than we have. So it's just providing equal

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opportunity that is typically...or has been the result or, I guess, because of on-line or videoconferencing. And I also mention the enrichment activities that gets the students, who typically never leave their classroom, or for a field trip, so.

SENATOR SULLIVAN: Thank you, Mr. Stritt. Are there any other questions for this testifier? All right. Thank you for your testimony and as I said earlier, you're more than welcome to stay on and observe the rest of the hearing.

JOHN STRITT: Thank you.

SENATOR SULLIVAN: I think what we'll do now...it appeared that, I think, Alliance had five. So why don't we start first with a person here in Lincoln and then we'll move to Alliance. And I should mention, as this testifier is getting situated, I failed to mention that because we're limiting testimony to three minutes, we're using the light system. So the green light will come on when you are...start your testimony; when there's a minute left, you'll see the yellow one; when it's red, then it's time to wrap up. Welcome.

JOHN SPATZ: (Exhibit 5) I'll do my best.

SENATOR SULLIVAN: Yes.

JOHN SPATZ: John Spatz, J-o-h-n S-p-a-t-z. It is pronounced "Spots," believe it or not. I'm the executive director of the Nebraska Association of School Boards. And, Senator Sullivan, thank you for conducting this hearing today, and the members of this committee. I'm just going to jump right into it. When I started as the exec in January of 2012, my board and I had conducted a strategic planning process with the goal of identifying, what can we do as an organization to more directly influence student achievement. And as a part of that discussion, we decided that we needed to do a better job collaborating and coordinating with the private sector. And so we engaged in a community engagement at a statewide level. And what's come of that over the last

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two and a half to almost three years now is, my board has decided that we need to collaborate and work with certain areas. And three of the areas are: One, physical and mental health of students; two, expand the learning opportunities; and three, quality preK opportunities for all students in Nebraska. And what I want to talk about today is the physical and mental health side of it. The handout that I sent you is about the Nebraska Whole Child Project. We have created an interlocal entity in the state of Nebraska called the Nebraska Whole Child Project. We have about 65 school districts and ESUs that are members of that, and what we want to do with this project are three things. As you can see, some of the data...and we really want to thank Lincoln Public Schools. I saw John Neal here. One of the things that caught my attention is that Lincoln Public Schools has been collecting data that linked student fitness to student achievement. And what we found out, and it's not just in Lincoln but nationwide, that there's a stronger correlation between fitness and student achievement than there is even between obesity and student achievement. And to me this is very eye-opening data. As you can see on one of the sheets that I gave you, the difference in performance on standardized tests between students who have been classified as fit, according to a test, and those unfit are...is pretty dramatic. And it's not rocket science. When students are healthier, they're going to tend to perform better. So one of the things that we want to do with the Whole Child Project is collect this type of data in every school district that wants it. It certainly wouldn't be mandated to be a member, but we want to make that available. Another thing that we want to do is share best practices. We've already...on April 14th, we're going to have a student health summit. We're collaborating with the Midwest Dairy and the GENYOUth Foundation, which is the NFL's foundation, to have a summit here in Lincoln where we're going to bring best practices together. So a big part of this vision is that there's some really good things happening in some Nebraska schools. We want to share those things and explain what's happening to really make a dent. Number three, if we can, we want to provide resources to schools to help facilitate healthy schools districts. When we first started this discussion, we didn't anticipate asking for state funding. We are planning on partnering with the private sector, but over the last few months we've decided that we

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are going to look for some funding, kind of a kickoff. We need to hire staff to begin this process, but really the long-term vision of this is that it will be sustainable. It is going to address student achievement. And on a cost-benefit analysis, we think a small investment from the state--and we're looking for \$250,000 a year for four years--a cost benefit analysis, we think we could make a big difference and really move the needle with student achievement through this effort. I see my red light is on. That was quick.

SENATOR SULLIVAN: All right. Thank you, John.

JOHN SPATZ: Yep.

SENATOR SULLIVAN: Elaborate a little bit more though. You're asking for these startup funds for four years?

JOHN SPATZ: Yep. Yep.

SENATOR SULLIVAN: But then, how does it sustain itself after that?

JOHN SPATZ: Good question. Good question. The vision originally was that we were going to generate revenue from the private sector. We're going to look for grants, foundations, and the feedback that we have been getting has been very good. We think there's a great opportunity for this project to really grow with the participation of the private sector. So that really is the vision of this entity. But one of the problems we're having right now is that we need somebody to run it, and collaborating with the state to help work with the foundations and other entities that might be interested in supporting this financially would be very beneficial, we think, to get this thing moving.

SENATOR SULLIVAN: And who would collect the data and analyze it?

JOHN SPATZ: Yep, good question. What we would do is, we would go to the school

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districts. It could be done in a number of ways. A lot of school districts are collecting this fitness data right now, so what we want to be able to do is very similar to what Lincoln has done, is link that up to student achievement. But we'd envision sending people to districts who want to participate and we could provide the training. We'll certainly provide the software and the database and...or we could simply collect the data ourselves. So it could, you know, the result could be a variety of different things depending upon what the district wanted. But the end result will be to have this type of data for school board members and superintendents to see how their students are doing. And then if they are going to implement some of the best practices, are they making a difference? Are they seeing that needle move?

SENATOR SULLIVAN: Okay. Very good. Any other questions? Senator Kolowski.

SENATOR KOLOWSKI: Thank you, ma'am. John, is there an outreach to parents for parent involvement as far as the...this whole child concept, especially with meals at home and a whole dietary aspect (inaudible)...?

JOHN SPATZ: Well, I think that certainly can be a big part of this. One of the exciting things about this project is, it started off as kind of a data collection concept, but as we've gotten deeper into this, we really are focusing on the whole child--and that includes things like breakfast programs. I would envision, if we had resources available, being able to help schools fund breakfast programs or start up the breakfast programs, for example. And one of the things that we've seen, and we have some videos on our Web site, and when a healthy culture takes foot in a school district, it spreads to the teachers, to the janitors, and kids are taking that home to their parents. And I left a meeting in Omaha this morning with superintendents and Commissioner Blomstedt, and one of the things that I heard from superintendents from around the state today and I've been hearing this, and I'm sure you have, are the mental health needs of students. Now, the short-term vision of the Whole Child Project is really about physical health, nutrition, things of that nature. But I'm committing that long term what we need to do is

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collaborate with the public health sector, the medical community, to begin addressing some of the mental health needs of schools and students because you don't go to school when you're a teacher or a superintendent to be a psychologist. And some of these problems are becoming a little overwhelming and we've got to find a way to have a better collaboration between the medical profession, the public health, community, and education to begin addressing some of these needs.

SENATOR SULLIVAN: Okay.

SENATOR KOLOWSKI: Well, with all the food production capability that we do have and is in our state, I hope you will have a very easy time finding sponsors to do it.

JOHN SPATZ: I think we will, and the initial feedback I've gotten has been extremely positive. So we're really excited about this.

SENATOR SULLIVAN: Senator Scheer.

SENATOR SCHEER: I guess I'm a little concerned with the data portion of it.

JOHN SPATZ: Yep.

SENATOR SCHEER: It seems to me you're quite possibly duplicating what the department already has started. It's a protected system and I do have concern with just an organization going out and putting student information into something that's not within the control of the school districts or the state as far as the usage.

JOHN SPATZ: Great question.

SENATOR SCHEER: So, you know, it probably might as well save some funds as well if you're not trying to duplicate a system that already exists.

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JOHN SPATZ: Yeah, and that's a great point. This is an interlocal entity, so it's not NASB. NASB would not be getting the funding. The interlocal, so the schools would house and own that data. And, in fact, one of the exciting conversations that we're having in the state is with NDE and their data collection and the vision for NDE. Over the long term, this could very well work within what NDE is trying to do right now in their data collection system. I think you're right.

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

JOHN SPATZ: Thank you. And I've got to get back to Omaha. Our state conference is this week, so thank you for letting me be here. I appreciate it.

SENATOR SULLIVAN: All right. Yes, yes. All right. We will now move to Alliance and hear from that site for the first testifier.

B. J. PETERS: (Exhibit 6) Thank you, Good afternoon. I'm B. J. Peters, B. J. P-e-t-e-r-s. I coordinate the DL Services for Educational Service Unit 13 in the eleven-county area of the Nebraska Panhandle. As I prepared my testimony today, I looked at your committee's vision document and it really parallels what Senator Raikes's intent was ten years ago when he championed LB1208 in using our Education Innovation Fund dollars to help expand distance learning opportunities for students across the state. Your vision ties perfectly to what we're talking about today, every Nebraskan educated for success, especially that number-one goal of providing equitable access to these high-quality educational opportunities, playing directly into our distance- and blended-learning process that we grow daily. It has really leveled the playing field for our schools out here in the Panhandle. We have students at Creek Valley High School in Chappell taking computer programming from a Lincoln High School. We have aspiring health science students getting a head start on college as they take dual credit medical terminology from Crawford High School, and students in Mitchell, Gering, and Chadron getting

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agricultural classes through distance learning delivered by Sioux County High School, which is the smallest high school in the state. Money from the Education Innovation Fund has helped our member school districts send quality courses beyond the walls of their own high schools and help other school districts prepare students to be college and career and job ready. Last week, one of our "sups" asked me, if we don't get these funds anymore, is it going to kill distance learning? Probably not, but I think, because of limited school financing, our school administrators are going to probably limit the number of distance learning options that are available. The Education Innovation Fund can be used to continue the innovative expansion we've seen over the last ten years, and could continue to see in the next decade as we expand the use of these new blended learning tools in distance learning. Many of our schools use the dollars to compensate our distance learning instructors for the extra work that it takes to teach in this environment. And our hope is these dollars can help encourage our classroom teachers to expand the use of these new digital tools that are now available and create a robust blended learning environment for all of our students regardless of where they're located. I've often said that students from Crawford, Potter, Harrisburg, and, yes, Senator Davis, even Hyannis, they deserve the same opportunities as the students in Lincoln and Omaha. And before I finish, I would like to thank Senator Davis and his office and the committee for providing us two outstate locations for today's hearing. And I thank you, and I'd be more than happy to answer any questions you might have.

SENATOR SULLIVAN: Thank you, Mr. Peters. Appreciate your testimony. It sounds like over the last ten years, in some respects, it's become sort of the way to do business, so to speak, or the way to conduct education through some of these distance learning techniques. So I'm wondering, if it is, what more is there to be done in terms of innovation?

B. J. PETERS: The biggest case, Senator, I...it's a good point. And I think you heard in your LB1103 hearings, there's some exciting tools that are out there. And our hope is that through our work with the NDE and the Department of Ed that the hard dollars will

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be spent to pay for the hardware and the software and the tools that are available. But there is a critical need to educate our instructors on the use of these tools. And I can see us expanding this. For them to be comfortable, the professional development of our teachers is going to be critical for us to be able to expand the use and, as Mr. Stritt said earlier, to really create some enriching learning opportunities for our students here in outstate Nebraska.

SENATOR SULLIVAN: All right. Thank you. Any other questions for Mr. Peters? Thank you for your testimony.

B. J. PETERS: Thank you very much.

SENATOR SULLIVAN: All right. We will move now to a testifier here in Lincoln. Welcome.

CRAIG MUNIER: (Exhibit 7) Thank you. Good afternoon. My name is Craig Munier, C-r-a-i-g M-u-n-i-e-r, and I'm the director of the office of scholarships and financial aid at the University of Nebraska-Lincoln, here representing the entire University of Nebraska system. Thank you for the opportunity, Chairman Sullivan, to...and the Education Committee, to address this important topic, and to speak in support of the use of state lottery sales revenue to fund the much-needed Nebraska Opportunity Grant program. As you know, this program provides state grant assistance to Nebraska students from low-income and working-poor families to attend college in Nebraska. The state grant program is an integral part of the federal, state, university, and private partnership necessary to ensure that Nebraska students who have earned the right to continue their education beyond high school can do so regardless of the random chance of their birth to families without the means to pay the full cost of attending college. The number-one reason students and their families cite as the reason for not going to college is their inability to pay. Over 3,600 Nebraska resident, undergraduate students enrolled at the University of Nebraska system, including students at the Nebraska College of Technical

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Agriculture in Curtis, Nebraska,...and receive over \$7.2 million in Nebraska Opportunity Grant funds today. These students are all eligible for the Federal Pell Grant program, a program that serves as the foundation for ensuring access to postsecondary education and training in the United States for students from low-income families, many of whom are first generation of their families to go to college. The Nebraska Opportunity Grant is coupled with federal, university, and private resources to assist students. Low-income Nebraska students can go to college only because of this partnership among federal, state, university, and private programs. I've given you an example, an actual example of a financial aid package, and you have a larger view of this behind the handout, of an actual student financial aid package at the University of Nebraska-Lincoln campus. This graphic shows how we combine Federal Pell Grant and Federal Supplemental Educational Opportunity Grant funds with the University grants or scholarships and the Nebraska Opportunity Grant to bring the student to what we refer to as an equity threshold of \$11,000 of resources that need not be repaid, or roughly half of the estimated total cost of attending the university for one year. The remainder of the funding that this student needs comes from federal student loans and the student working 15-20 hours per week. Even then, you will notice that we acknowledge that there remains about \$1,335 of unmet need, resources that the student will have to meet either through additional work or adjusting their standard of living. The stressors of meeting college costs for students such as this are not as simple and dramatic as attending college or not. It should be seen rather as a measure of the extent to which this student can fully engage in the college experience, by living on-campus, being involved in student activities such as student body president, marching band, and more, not to mention being able to fully devote themselves to full-time academic study. Ironically...and I see my light is it, but can I (inaudible)...

SENATOR SULLIVAN: That's fine. Continue. Just finish up.

CRAIG MUNIER: Okay. Ironically, despite no tuition increases for the past three years, low-income students find it increasingly difficult to pay for college. At the University of

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Nebraska-Lincoln, for example, while tuition is the same as it was during the 2012-2013 academic year, the costs associated with attending the university increased just over \$1,000 over this same three-year period. The maximum Federal Pell Grant increased by just \$180 over that same period of time, and federal student loans and Federal Work-Study programs have had no increase in maximum loan amounts or federal appropriations. Students are borrowing the maximum amount of federal student loans, working longer hours to the detriment of being fully engaged students, and resorting to coping mechanisms that we know lead to lower retention and graduation rates, including attending college part-time, working to excess, and choosing to live off-campus. The Nebraska Opportunity Grant is integral to state success in meeting our P-16 goals for access and is one of many strategies needed if we're going to close the work force gap in Nebraska. The University of Nebraska looks forward to working with the Legislature to address these needs. State lottery revenue sales fund approximately 60 percent of the \$16.4 million of Nebraska Opportunity Grant program. While we do not advocate for expanding state lottery sales revenue to the state grant program, we would hope to maintain the current funding level and to seek additional general appropriations for the purpose of increasing support for students. I'm sorry I ran over my time. And thank you for the opportunity to share our perspective and I'm available to answer questions.

SENATOR SULLIVAN: Thank you for your testimony.

CRAIG MUNIER: Thank you.

SENATOR SULLIVAN: Can you tell me a little bit about what you know of the debt load that a student ends up with when they leave?

CRAIG MUNIER: University of Nebraska-Lincoln, we're fortunate. Our debt load is in the industry best...for our type of institution, if memory serves, about...among students who graduated and borrowed while they're in school I think are averaging indebtedness

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about \$23,000, which, according to our peer studies, I think the industry average is about \$25,000. So we're slightly below our peers in terms of average indebtedness.

SENATOR SULLIVAN: Okay. Thank you. Senator Scheer.

SENATOR SCHEER: Thank you for coming this afternoon.

CRAIG MUNIER: Thank you.

SENATOR SCHEER: Were you involved in making this up?

CRAIG MUNIER: I drafted this, yeah, so if it's grammatically incorrect, it's my fault.

SENATOR SCHEER: Well, no, no, no. No, no, not at all. (Laughter) But I don't...my questions are pertaining to the \$22,000 and change that...I'm assuming this is a yearly cost.

CRAIG MUNIER: Yes.

SENATOR SCHEER: And so if you weren't involved in that, then I'm not going...

CRAIG MUNIER: No, I'm integrally involved in it.

SENATOR SCHEER: Okay. Can you tell me what all that entails?

CRAIG MUNIER: Yes, I...yes. About \$7,300 of that is...let me get my numbers right. About \$8,000 of that is tuition and fees; almost \$10,000 of that is room and board in a standard double room, no perks; \$1,000 roughly is books and supplies; and then we have about a \$3,600 allowance for everything else that we think a student should need, everything from transportation to campus, from home once a year...once a semester,

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rather, as well as transportation in and around the community, clothing, health insurance, toothpaste, you know, everything that they should need.

SENATOR SCHEER: Okay. Fair enough. Then on the \$9,900 that you're showing,...

CRAIG MUNIER: Yes.

SENATOR SCHEER: ...what part of that are you showing as the work-related funding towards...

CRAIG MUNIER: \$2,900 and \$7,000 in loan.

SENATOR SCHEER: Okay. Thank you.

CRAIG MUNIER: Yeah, thank you.

SENATOR SULLIVAN: Senator Davis.

SENATOR DAVIS: I just was going to ask if you could tell us what went into the \$1,072 in additional costs for the last three years?

CRAIG MUNIER: Yeah, mostly mandatory fees assessed all students and room and board are the two primary, modest increases for CPI on living expenses and books and supplies. We derive this cost, I should mention, every four or...about every four years. We do a 10 percent sample of the entire student body at the university and do a very detailed survey of what they report they are spending on all the costs associated with being a student for nine months. We take that data. We look at low-side averages. We compare to our peer group in the region of the country. We also look at Lincoln Housing Authority indexes for rental property. We look at average charges for textbooks and supplies at our own university-operated book store to try to...and these are low-side

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numbers. I should also mention, in the net...in the federal methodology when a family fills out the free application for federal student aid, there are family income offsets for the other family members, things that come off the top of the family's income before we...in an attempt to determine their ability to pay for college. There is no offset for the college student themselves. There's no income offset for that individual. It's expected to be in this cost of attendance. So everything from tennis shoes and a pair of jeans, everything that the student needs, a winter coat, is expected to be on the cost of attendance side.

SENATOR DAVIS: And so then you talk about the 60 percent of the \$16 million. And my question about that is, is that just the University of Nebraska's part?

CRAIG MUNIER: The statewide program, I understand, is about 16.4.

SENATOR DAVIS: Statewide program, okay, that's what I thought.

CRAIG MUNIER: Yeah. Right.

SENATOR DAVIS: I just wanted to clarify. All right. Thank you.

CRAIG MUNIER: Yeah, thank you very much.

SENATOR SULLIVAN: Senator Haar.

SENATOR HAAR: Yes, I...you know, to follow up on Senator Scheer's question, if you could provide us with that graph of the expenses, I'd appreciate that.

CRAIG MUNIER: Oh, absolutely. In fact, I have it right here if somebody can make a copy of it.

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SENATOR SULLIVAN: You'll just have to provide it later.

CRAIG MUNIER: It's kind of complex. We have cost of attendance for lots of different categories of students, but, yes, you're welcome to have a copy of this.

SENATOR HAAR: Okay, thanks.

CRAIG MUNIER: I'll make sure you get it.

SENATOR SULLIVAN: Okay. Very good.

CRAIG MUNIER: Yeah, thank you.

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

CRAIG MUNIER: Thank you again for the opportunity.

SENATOR SULLIVAN: All right. We will now move to a testifier in Alliance. Welcome.

ELIU PAOPAO: (Exhibit 8) Welcome. Thank you very much. Good afternoon. I am Eliu Paopao, and that's spelled E-I-i-u, last name P-a-o-p-a-o, one word, second "p," lower case. And I currently serve as the technology director for Chadron Public Schools. First, and foremost, I would like to give my thanks and appreciation to Chairman Sullivan and Senator Davis, as well as the committee, for providing us the opportunity, giving our patrons here an equitable voice. As you hear my testimony, I hope that you would agree that we all have the same priority in mind, and that is to benefit all Nebraska students. In reviewing the vision document for education in Nebraska, the goal that keeps coming to mind is Goal 1, which is provide quality educational opportunities that engage and prepare Nebraskans for success in learning. The innovative dollars from the lottery has done just this for our district as well as others. We continue to implement blended

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learning and provide a broader course of study with the aid of this money. We are able to offer courses that cannot be offered locally as well as offer our courses to other districts who are in need of it. Chadron is currently receiving German I and German II, Equine Science, and Vet Science from other sites. We are also able to provide AP English to Gibbon High School students, as they use one of our best educators to fill the need within their school. This is much appreciated as we continue to use the expertise of our educators in our and other districts to benefit our Nebraska students. It is with this connection that has exposed our students to a more valuable learning opportunity that wouldn't be possible if it weren't for our distance learning education. Goal I: Provide quality educational opportunities that engage and prepare Nebraskans for success in learning. The equitable learning that is taking place through the distance learning education allows our western Nebraska students the same opportunities as their peers in Omaha and Lincoln. With the Education Innovation Fund, we could expand our blended learning opportunities, we could compensate our excellent educators who take the extra time to prep for this learning environment, thus providing equitable learning statewide. As you prepare discussions regarding the Education Innovation Fund, I only ask that you act in favor of all students, regardless of their ZIP code, that they may receive equitable opportunities in learning. With this, again, I would like to thank the committee for this opportunity. Thank you.

SENATOR SULLIVAN: Thank you, Mr. Paopao, for your testimony. Any questions for him? The thing that keeps coming back to me is, you've used these funds to get the program started. Will you continue them if this funding stream is no longer available?

ELIU PAOPAO: I think we will try to continue them as best we can. But as my peer, B. J. Peters, mentioned before, you know, it will be tight on our budgets if we don't have the availability of these funds, yet forcing our administrators to make decisions on cutting such programs. We certainly don't want to go that route. We certainly want to provide as much as we can for our students, especially here. What we're doing with these distance learning...with the distance learning education, we're leveling that playing

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field, as B. J. Peters has said before. We're making...we're bridging that gap between eastern and western Nebraska. It makes it equitable for all our students and it provides us that opportunity that we don't normally have.

SENATOR SULLIVAN: Thank you. Any other...Senator Davis.

ELIU PAOPAO: Thank you.

SENATOR DAVIS: First of all, I just want to say congratulations. I know Chadron was just recognized as one of the top schools in Nebraska by one of the national magazines, and Hay Springs, which is also in my district, so I just have to brag a little bit. But do you think we have achieved the goals that we set when we developed the distance learning program and, if not, what suggestions do you have to get there?

ELIU PAOPAO: I think the direction is up from here on out. Chadron is already exploring opportunities for other course studies to expand our curriculum. Without this opportunity, we wouldn't be able to do that. We're looking into programming language. We're looking into foreign languages besides just the German and the Spanish that we currently offer. You know, if we're here to provide college readiness and job and career readiness, this is the prime time for us to be doing that and using these Education Innovation Funds will supplement and benefit our students.

SENATOR DAVIS: Thank you.

SENATOR SULLIVAN: Any other questions for Mr. Paopao? Thank you for your testimony.

ELIU PAOPAO: Thank you very much.

SENATOR SULLIVAN: All right, another testifier from Lincoln. Welcome.

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NOLAN BEYER: (Exhibit 9) Good afternoon. Nolan, N-o-l-a-n, Beyer, B-e-y-e-r, from Millard Public Schools. I appreciate the opportunity to visit with you today about a vision for education in Nebraska and how lottery proceeds may be used to enhance the education for all students in the state of Nebraska. The use of lottery proceeds potentially blended with other funding could provide a much-needed research and development model to support rigor, accountability, and relevance to education funding. We are proposing funds to be considered for a second tier, Tier II, to the state aid formula known as quality indicators that focus on building career- and college-ready students. This plan is in addition to TEEOSA and would be available to all students and all districts, receiving equalization aid or not. This proposal brings K-12 education, higher education, business communities, and philanthropic groups together to pursue best educational programming whether it be career or college readiness or both. The proposal would work as follows: Career readiness. Career readiness programs are oftentimes referred to as career academies. Working in conjunction with the businesses and chambers of commerce, school districts identify career readiness programs that help support the local or state economy by helping students earn a license, credential, or near-licensure status while taking courses that meet high school graduation requirements. The district would be provided state support to help offset the cost for those students earning the credential. The financial incentive to change programs drives districts to implement career programs that ultimately help students penetrate the achievement gap. Too often, students who are not college bound check out of high school because the relevancy of schooling is not in line with preparing for a career. "Incentifying" a district to add programs that prepare students for specific careers, while also recognizing that those programs must have a credentialing component, raises the quality of education for students who are choosing a career path. School districts only receive financial incentive for students that would successfully complete the program. College readiness. Students who choose to attend college upon graduation of their high school experience would also have the opportunity to increase rigor that would help them penetrate the achievement ceiling. A school district may select to grow dual

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enrollment or AP programs or something equivalent. Public schools would articulate courses with the community college or college. These are commonly referred to as dual enrollment courses. Students who participate in these courses and earn a transferable grade of a C or higher would be counted in the Tier II model. Public schools who choose to offer AP courses or the equivalent would also have a chance to meet the incentive standard. These students would have to earn a three or higher on the AP exam. Key to this vision is accountability in the form of external control. Career programs require a licensing or a credentialing agency, such as the community college. College preparedness programs require articulated courses, and AP performance in their exams are measured by the College Board. We would like you to consider the use of lottery funds as an appropriate means of moving this vision forward. Not being new information to any of you, I would certainly welcome any questions you might have.

SENATOR SULLIVAN: Thank you, Nolan.

NOLAN BEYER: You're welcome.

SENATOR SULLIVAN: Appreciate your testimony.

NOLAN BEYER: You're welcome.

SENATOR SULLIVAN: So what would...how would the logistics of this work? Because obviously there probably wouldn't be enough lottery dollars to meet all of the incentives.

NOLAN BEYER: Yes, I carefully used the term earlier with potentially blend other...blended with other funding. Outside of TEEOSA, this is truly unique. It would be a...truly a Tier II model. We don't support trying to adjust TEEOSA in its formula to meet this vision. We think it is outside of that because of the sense of accountability that it would bring. We're looking for a way to...because it is new and it is different, it's just...it's not more, it's different. Is...are there some funds available to start it in maybe a smaller

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fashion than what we might want to, to completely implement it, to study it, to review it, to see if AP dual enrollment and these career academies do what we believe they would do and give students the opportunity to excel?

SENATOR SULLIVAN: Because admittedly, there are many schools that are already doing a lot of these things.

NOLAN BEYER: Yes. Yes, this would encourage them to grow those programs.

SENATOR SULLIVAN: Okay. All right. Senator Scheer.

SENATOR SCHEER: You're proposing this as part of the lottery funds, correct?

NOLAN BEYER: Potentially, yes.

SENATOR SCHEER: And not necessarily entirely funding the program but some of these funds would be used from the lottery system.

NOLAN BEYER: Yes.

SENATOR SCHEER: Having said that, then most of the people here are here to testify for a continuation of the support they're at. Where is it then you would visualize the reduction of those funds, what area, what group that's receiving lottery funds now, would not receive those in order to implement this program? Because, like you said, it's a limited amount. They're being fully utilized now. If we use some of those to augment the system that you propose, what is the fallout?

NOLAN BEYER: Yeah. Senator, you ask a great question and I'm certainly not here to speak of any of the other programs that are currently being funded. I think they're fine programs. I think they're needed. And I wouldn't be in a position today to recommend

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what this would replace. I would just ask that the committee take a look at the vision and the proposal and see if it might fit within the funds.

SENATOR SCHEER: Okay. Thank you.

SENATOR SULLIVAN: Senator Kolowski.

SENATOR KOLOWSKI: Thank you, ma'am. Nolan, thank you for your testimony.

NOLAN BEYER: Sure.

SENATOR KOLOWSKI: And perhaps one of the ways you're looking at this, or we might look at it as a committee, would be thinking in terms of research and development, incentivizing some of those kind of areas with the lottery money changing the focus of this. And if we did this for two years and if it would be acceptable to move on through this biennium, then it might be coming out of the full budget of the Legislature in the future and open up other R&D or incentivizing programs that we could look at. I mean that's a shift compared to not just always coming out of lottery. Sometimes, if we're thinking about using lottery money in different ways, that would give us a chance to use it in a wise way to check and see how a program would be accepted and how fast that might move on.

NOLAN BEYER: Certainly agree with your statement.

SENATOR KOLOWSKI: Thank you.

SENATOR SULLIVAN: Any other questions? Thank you, Nolan, for your testimony.

NOLAN BEYER: Thank you.

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SENATOR SULLIVAN: All right. We'll now move to a testifier in Alliance. Welcome.

SHEILA JOHNS: Good afternoon. My name is Sheila Johns, S-h-e-i-l-a J-o-h-n-s. I am the financial aid director at Western Nebraska Community College in Scottsbluff, and I wish to speak in favor of continuing the use of the lottery funds for the Nebraska Opportunity Grant and to speak to the impact that the Nebraska Opportunity Grant has had on WNCC students. I have been at WNCC for eight years and, not including our current academic year, during those eight years more than 1,700 WNCC students have received a Nebraska Opportunity Grant or a Nebraska state grant, as it was formerly called, and almost \$1.2 million and about \$500,000 of that was from the lottery funds. We are a lower cost institution at WNCC and these dollars make a significant impact toward the cost of our students' educations. In addition to reducing student loan borrowing, during our 2013-2014 academic year, 311 WNCC students received the Nebraska Opportunity Grant. However, we had 832 Nebraska residents who qualified. Our average grant award is \$800 per student for the year split between two semesters. And since we are a lower cost institution, our award amounts are lower than some and we wish to use that money to affect as many students as we can with the allocation that we are given. Eliminating the lottery funds would significantly reduce either our award amounts, or the number of recipients, or both. Our institution does not have the resources to replace the lottery funds with institutional dollars and either increasing tuition costs or local tax revenues isn't the answer either. At the western end of the state, our students have many nearby out-of-state options for attending college. And these funds allow us to provide one more incentive for our students to stay within the state to receive their higher education. If they are educated within the state, they're more likely to stay within our state to have their careers and their families and to contribute to the tax base in our state. One of our current NOG recipients recently told me that receiving this grant allows her to focus on her schooling instead of worrying about finances. She's a young woman with a family. She works full time. She's taking part-time classes to further her career. She works for a locally owned business that has a sizable economic development impact in our community. She's the perfect example of

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one of the ways these state funds reach much further than the student who was awarded. They also help our communities by growing and developing our work force as well. That's all I have. Thank you for hearing my testimony today. On behalf of WNCC students and the other Nebraska community college students, I urge you to renew the lottery funds for the state grant program. And thank you again for your consideration.

SENATOR SULLIVAN: Thank you, Sheila, for your testifying. Short of continuing the Nebraska Opportunity grants, or even putting more money in them, have you given any thought to ways that this grant program could be improved or changed?

SHEILA JOHNS: One of the things that has occurred in the last few years that I think was a big improvement in this grant program is, we were allowed to award it to students who are just out of Pell Grant range. And we see some significant number of students who don't have access to those federal grants but still don't have the resources to attend school. And that is one thing I would like to see continued and maybe even expanded a little further.

SENATOR SULLIVAN: Thank you. Any other questions for Sheila? Thank you for your testimony.

SHEILA JOHNS: Thank you for having me.

SENATOR SULLIVAN: All right, another testifier from here in Lincoln. Welcome.

VICKI KUCERA: Thank you. Hello. My name is Vicki Kucera, V-i-c-k-i K-u-c-e-r-a, and I'm the area director of financial aid services for Central Community College. But I'm here today speaking on behalf of all of the Nebraska community college campuses. And I would like to offer my sincere appreciation on behalf of all of our students for allowing us this time to speak with you today. There are several community college financial aid administrators represented here today, obviously, either in person or remotely, and I

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can tell you that we are all extremely passionate about this topic of Nebraska Opportunity Grant funds. Part of the community college mission, as you well know, is to provide access to education for all regardless of their economic standing, which makes us the very first choice for many students who simply cannot afford to attend college elsewhere. And we love that part of our mission, we truly do, but that makes access to grants and scholarship funds absolutely crucial. I know that you're all aware that federal funding for education has not increased over the years at the same rate as direct educational expenses have increased. While we pride ourselves on keeping costs for students as low as possible, they do, of course, increase. And, unfortunately, this means that more and more students are relying on student loans to make up the difference. During the 2013-14 academic year, over 6,300 students benefited from the over \$3 million that the state of Nebraska allocated to our six community colleges in the Nebraska Opportunity Grant program; 6,335 economically disadvantaged students relied on these funds for either tuition assistance, books, or room-and-board expenses. I cannot speak for the other five community colleges in the state, but Central Community College, who I work for, does not have the institutional funds to make up the loss should these funds disappear. And it would indeed be a loss for our students that would leave an incredible void. This void would no doubt precipitate exactly what we have been fighting against, and that is increased student loan indebtedness for our students. And right now--I know that Craig Munier talked about cost of education at UNL--our cost of education at the community college level runs around, for on-campus students, around \$12,000 a year. I know that all of you agree that training for service-oriented careers are a critical piece of what keeps our businesses and industries functioning here in our end, as well as encouraging the entrepreneurship that will build us in the future. I am imploring you to continue to budget lottery funds for the Nebraska Opportunity Grant program at least at the level that you have previously, and I do thank you sincerely for your support of our students.

SENATOR SULLIVAN: Thank you, Vicki, for your testimony. Any questions? Senator Davis.

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SENATOR DAVIS: I have just one question. You said your costs were \$12,000 for an on-campus student?

VICKI KUCERA: Uh-huh.

SENATOR DAVIS: That includes board and room?

VICKI KUCERA: That includes board and room.

SENATOR DAVIS: So how much is your board and room?

VICKI KUCERA: Board and room on campus at Central is about \$6,300 a year.

SENATOR DAVIS: So significantly lower than the University of Nebraska. Thank you.

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

VICKI KUCERA: Thank you.

SENATOR SULLIVAN: And now we'll hear from Alliance. Welcome.

TIM CODY: Thank you. Good afternoon, Senator Sullivan and members of the committee. My name is Tim Cody, T-i-m C-o-d-y. I am the current superintendent of Minatare Public Schools in the Panhandle. I'd like to use my time today to tell our story. Minatare, like Sioux County, is one of the smaller districts in the state. Our taxable valuation is a little over \$41 million. We cannot raise much money locally through the taxes. So we're very dependent on any outside source, quite heavily on state aid, but in particular the lottery funds that we have received over the course of the years that I've been there. This is my fifth year serving as the superintendent of Minatare. In our story,

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I'd also like to say that our district of about 230 students has a free and reduced lunch percentage at about 85 percent. That means that, again, we get quite a bit of funding from the state and feds because we are high poverty. We utilize our lottery funds to supplement the technology sources that we have. For our students, what it does for us is keep our technology current. Right now, we've been able to move to a one-to-one with our high school, 9-12 students. That was done by purchasing iPad IIs. This year we were able to purchase a mobile lab of 24 notebooks for Chrome books at both the elementary and the high school. As you well know, the Nebraska Department of Education is moving their yearly testing for NeSA to technology. What it does for our students, of course, with a 80...or 85 percent free and reduced, not many of those homes that they live in are going to have technology. So they get the technology from us at the school. The lottery funds that we have received are allowing us to keep that technology current. If those go away, certainly we do have money in the budget but it would be severely limited with the additional funds that we could get to help keep us current. Another thing that I'd like to mention is, being a smaller district, it's awful hard to get highly qualified teachers. One of the things that the technology has helped us do is to interview candidates far and away for some of the tougher positions that we've had to hire, in particular our aged instructors and also our music instructors. We've been able to do that utilizing our technology rather than have those individuals--let's say they're graduating at Wayne State or UNL--make the long trip out to Minatare to interview. We've been able to do that over the distance learning. So it's given us an equal footing in teacher recruitment. It's also given our students, because that is ultimately the most important thing that we're talking about, a better chance with the technology that were utilized. That's all I've got for you today. If you've got any questions, I would be more than willing to answer any.

SENATOR SULLIVAN: Thank you, Mr. Cody. Appreciate your testimony. Any questions for him? I guess not. Thank you very much for your testimony.

TIM CODY: Thank you.

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_____ : That's everybody from, I think...I think that's everybody at Alliance for now.

SENATOR SULLIVAN: All right. Very good. And just a notice to Alliance and Broken Bow, you can both be on to continue to listen to the hearing but if either one of you choose to not be, then you both go off. So give us a heads-up if either one of you are thinking about leaving the hearing. Thank you. Welcome.

MARK LEONARD: (Exhibit 10) Thank you. Good afternoon, Senator Sullivan and members of the Education Committee. I'm Mark Leonard, general manager of Nebraska Educational Telecommunications, NET. NET has been a partner in education from its original creation in 1954 to the present day. Our tools have changed throughout those years but, combining the best elements of public broadcasting content with on-line streaming access, we can provide robust educationally designed media objects to every classroom in the state. To that point, NET has been working in partnership with the Nebraska Department of Education, the Educational Service Unit Coordinating Council, and other educational institutions, and we support NDE's concept of a statewide E-learning system as a way to reduce costs and provide equal access for Nebraska's K-12 school districts. An essential component of NDE's concept is the provision of high-quality electronic learning objects housed in a digital repository accessible to all Nebraska educators and learners. In August 2012, NET established its Virtual Learning Library, providing access to digital learning objects on a range of subjects including science, English language arts and literacy, social studies, and math. Since that time, our user base has grown by 220 percent, from 1,300 users to over 4,400 users. The NET Virtual Learning Library currently contains over 90,000 digital learning objects and is already used by educators statewide, requiring no additional investment in hardware or storage by their school districts or educational service units. In partnership with PBS, NET can deliver a cloud-based, second-generation platform that includes integration into the NDE portal and dashboard, content that is only available via our service, and a

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growing volume of digital learning objects that will continue to be accessed by Nebraska educators and their students no matter their location across the state. This service can be provided at a fixed annual cost that includes full alignment with Nebraska educational standards, as well as creation of custom content to address state-specific educational objectives. We believe that an investment in content and a system already in place statewide is a prudent choice and we encourage you to consider NET's Virtual Learning Library as you establish your funding priorities. Another priority for our state is investment in early education...early childhood education. Again, NET is already actively engaged in providing early learning resources to children ages two to eight in communities across the state. NET's Ready To Learn initiative focuses on at-risk children and is delivering research-based educational media resources built upon recognizable on-air characters such as Daniel Tiger, Martha Speaks, and Super Why. Created by the same producers that brought us Sesame Street, The Electric Company, and Mr. Rogers, the Ready To Learn approach is associated with an increase in reading ability of 29 percent among children in grades K-2, and gains of up to 31 percent in vocabulary among low-income children. In cooperation with the Nebraska Department of Education and our community partners--you have a handout that shows them--our Ready To Learn initiative has already touched 2,800 children, their families and care providers. In closing, as you consider how to invest in education, we ask you to include NET's Virtual Learning Library and Ready To Learn initiatives. As one of the state's most trusted providers of educational content, we bring the experience, credibility, and access to resources that fulfill our statutory mission to operate statewide educational services.

SENATOR SULLIVAN: Thank you, Mr. Leonard. So is this delivered through television or can they get it on their iPads or their computers or...?

MARK LEONARD: This would be on-line so it would be on portable devices, computers, iPads, tablets, any of those devices.

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SENATOR SULLIVAN: And it's not interactive though.

MARK LEONARD: It is interactive and, in fact, it's customizable by the teacher in terms of their lesson plans with games included and other educational tools. And it can be assembled by them according to tool kits that are part of the platform or individually by the teacher. And all of the material, the rights are cleared on, so there's no research that has to go into determining what's legal to use and what's not legal to use.

SENATOR SULLIVAN: And this network is...can every school district in the state access this right now?

MARK LEONARD: Yes, yes.

SENATOR SULLIVAN: So what's missing?

MARK LEONARD: What's missing is the integration in the NDE portal, as well as integration with what the ESUs are doing, as well as designing specific content map to Nebraska standards, which is something that we would work with PBS to do, as well as some additional content that PBS would make available as part of a custom subscription to this service. At this point, we're offering the basic service already free and that's the user base of 4,400 in the state. If we want to attach additional course curriculum and media objects around specific topics that the state has a difficult time finding materials for, that's what the customization would allow.

SENATOR SULLIVAN: And that's what...are you suggesting that, to ramp that up, you would be advocating for use of lottery dollars to do that?

MARK LEONARD: Absolutely, yep. That would be an annual subscription to that service that would allow us to customize and integrate it into the other learning systems, so it would be a blended approach from NDE all the way to the school districts. And they

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would not have to maintain the infrastructure of servers and hardware to make that available, which at this point we think is a backward looking way of distributing media content. This is cloud based, maintained by PBS, and constantly being added to.

SENATOR SULLIVAN: Okay. Senator Haar.

SENATOR HAAR: So, is what you're talking about sort of a pilot project or is it an ongoing funding stream?

MARK LEONARD: It's an ongoing funding stream. What we are currently providing is the demonstration project and that is done as a free service. That's the basic service that has, without any sort of promotion or integration into the Nebraska NDE objectives, has already built a user base of teachers. We think it can be further tailored to address the specific Nebraska educational needs as well as integrating into their intended learning systems.

SENATOR HAAR: Well, and this may not make people happy and I can just speak for myself, but I think I am more interested in funding pilot projects rather than ongoing funding streams because that's just the nature of the limit of the money that's available and we just keep adding and adding things to this. And I think any attempt that can be made to make things more of a pilot project that's evaluated and then absorbed into some other kind of funding...

MARK LEONARD: I think that's the difficulty we have is that we have no ability...although we believe in the technology and the use of our content for educational purposes, we do not have a way of covering this ongoing operating expense. But we do think that it brings significant efficiencies to the educational challenge of the state because it's a centralized solution with, one, with no hardware and no maintenance on that, that allows all of these schools to access content that right now they're having to do on a district-by-district or ESU-by-ESU basis. We also think that the material that

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PBS has provided that other learning systems have used previously, PBS is pulling back the rights on those, and that what's lost a lot of times is it becomes a hardware discussion only and it doesn't address the educational content. We think, long term, that access to that current PBS content, whether it is history, like The Roosevelts, or science, like Nova, is a very, very valuable resource for Nebraska schools.

SENATOR HAAR: Well, once again, it's important obviously and...but I think less and less lottery funds are going to be used for ongoing funding streams.

MARK LEONARD: Okay.

SENATOR SULLIVAN: What relationship and communication are you currently having with the Department of Education?

MARK LEONARD: Pretty constant and we met just last week with them. We have an upcoming meeting with the ESU coordinating director. We are written in to some of their budget proposals, a little bit abstractly. I think it refers to our Virtual Learning Library as part of their vision of what they want to provide, but we also thought it would be useful to bring a more specific presentation of this technology to this group whether there are lottery funds or not. We're not necessarily determining where the funding should come from for this service.

SENATOR SULLIVAN: I see. Um-hum. Okay. Very good. Senator Scheer.

SENATOR SCHEER: Thank you for your presentation. Your comment, the fixed annual cost, I'm assuming that's what you're talking about from the lottery funds.

MARK LEONARD: Correct.

SENATOR SCHEER: And can you give us an estimate of what...that dollar amount you

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would be looking for?

MARK LEONARD: We think that we could deliver the customization, the ongoing integration, as well as developing specific content materials for the state each year, for about \$500,000 a year. And that's a cost of about \$2 per student.

SENATOR SCHEER: Okay. Thank you.

SENATOR SULLIVAN: Senator Davis.

SENATOR DAVIS: So I just have a little bit of a problem getting my head around what you're talking about. The subscription you're talking about is with PBS?

MARK LEONARD: Correct.

SENATOR DAVIS: And you say that the ESUs and the schools will be able to eliminate hardware. How are they going to be able to do that?

MARK LEONARD: They would not have to be hosting the media material at the district level. And I believe at this point that that was technologically the only solution until a couple of years ago. And we think that by reducing that duplication of ESU by ESU, district by district, school by school, all of that hardware and the maintenance, and putting it in a cloud-based solution will save money. That's no longer the best practice way of handling content.

SENATOR DAVIS: How is this being done in other states?

MARK LEONARD: It's relatively new, frankly. Massachusetts has just signed on to this with a state license. We understand that Florida will soon and that Texas is continuing it. PBS is most interested in state networks where it can be rolled out as something

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universal to all school districts. To do it station by station, community by community, is seen as inefficient. And so they are very interested in talking to us as a state network saying, you know, does this help you to meet some of your state's educational needs? We rolled out the generic, the base version two years ago to test it, to become familiar with it, and also to develop some feedback from teachers. And we have been...our expectations have been exceeded in terms of how much the teachers are using it and the positive comments we get from them. And that was really by just making it available and a couple of e-mail announcements about it. They no longer...I guess what was described to me is previously they would have to spend a lot of time Googling a lot of different Web sites to build up the clips of material that they would want to use in the classroom and they might not even be assured that the rights were legal for them to use the material.

SENATOR DAVIS: And so give me an idea of the kind of classes that we're going to be able to use this for.

MARK LEONARD: I'm sorry?

SENATOR DAVIS: History, are we going to use this for history? Or how is it going to be implemented?

MARK LEONARD: Well, it started out very heavy on history, science, technology. It's developed a lot more arts and softer subjects, humanities subjects with it. I think its greatest value...when you find particular curriculum needs specific to a state, state history, for example. That's where it really comes into its own because you're able to leverage materials. Like, in our case, we have, you know, quite an archive of content. Capitol Masterpiece, the program about the history of this building that not all students are able to come and visit, we could organize that into a classroom field trip through this system that all teachers could use. Our Native American history, the documentaries we've done on Standing Bear, things like that, that's where they...state by state you can

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adapt it and have current media tools around those difficult-to-teach subjects. There are other ones that...chemistry, for example, a demonstration on chemistry that took a subject that I had no ability to understand when I was in school. And yet, when I sat down and looked at something that there was a template for and different objects and interactives and even a game as part of it, it suddenly started to allow me to visualize the concepts of chemistry that I could never get in a textbook or in a film strip in my age.

SENATOR DAVIS: So it's an augmentation tool, rather than a replacement tool.

MARK LEONARD: It's more toolkit, more tools for a teacher to use and they have the ability to incorporate them in their own design so there's a lot of classroom control of those materials.

SENATOR DAVIS: Thank you.

SENATOR SULLIVAN: Senator Kolowski.

SENATOR KOLOWSKI: Thank you, ma'am. Mark, thank you for your testimony today and I think it's...from all the pieces we've been listening to, the BlendEd, the different work with the...our concept of the philosophy for this study we've been doing, trying to deliver the very best of all course work to any student anywhere at any time. So many things are coming together right now. It's a very exciting time. I want to ask you one specific question. The University High School, where does that fit into the spectrum of what you're looking at or thinking about? It's a different situation.

MARK LEONARD: It is, and I honestly don't know enough about the University High School to react to that intelligently. I mean, this has brought us into conversation with many different partners as we try to imagine how the landscape is changing. I think that's one that we could have in the future. I don't think we've talked about it in this context.

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SENATOR KOLOWSKI: Just wanted to put that out there...

MARK LEONARD: Absolutely.

SENATOR KOLOWSKI: ...because it's another one...another bobble on the tree that we need to look at among everything.

MARK LEONARD: Absolutely.

SENATOR KOLOWSKI: I don't disagree with Senator Haar on what kind of funding will this look like and where would it come from. But as we put this vision together of what could be delivered anywhere at anytime to any student in the state of Nebraska, it's unlimited. What you have, what you're dealing with and what you're talking about right now, the enhancement of current class work by a teacher or a combination of things that could happen to students with data and materials like yours...

MARK LEONARD: Absolutely.

SENATOR KOLOWSKI: ...that you can access. We just need to keep defining the shape of the thing and put it together because we have a lot of resources. But I want to thank you and...for the discussions you're having with all the other players you talked about and the ESUs, BlendEd, all the things that are talking...that we're talking about and taking place in the state right now. We could launch something that is unlike most other places.

MARK LEONARD: Absolutely.

SENATOR KOLOWSKI: And we're very excited about the potential as we look at this.

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MARK LEONARD: A lot of opportunity.

SENATOR KOLOWSKI: Funding, we'll talk about that. We'll get to another source of how this could be handled. And what Senator Sullivan is talking about as far as innovations and R&D and everything else, let us play with that and let's just keep pulling all together. That's the main thing. Thank you.

MARK LEONARD: All right. Thank you.

SENATOR SULLIVAN: Any other questions? Thank you, Mr. Leonard, for your testimony.

MARK LEONARD: Thank you. Thank you for your time.

SENATOR SULLIVAN: Welcome.

JEN GOETTEMOELLER: (Exhibit 11) Good afternoon, Madam Chair, members of the committee. My name is Jen Goettemoeller. That's spelled G-o-e-t-t-e-m-o-e-l-l-e-r. I'm here representing First Five Nebraska. Thank you for the opportunity to share our thoughts today. I appreciate you conducting a very open process both in terms of what happens to education improvement funds but also where we're going for education in Nebraska. If we were going to redesign our education system today, would we fund it the same way? I would argue that the answer is no. If we were to start over, knowing what we know now about the science, about how and when the brain develops, I think we'd invest more at the front end. There are a lot of great ideas on how to use limited dollars, but if you ask what will yield the greatest return, the answer is quality early childhood education. The numbers you have in front of you, you've seen some of those before in terms of the numbers of kids under six at risk, how many we're currently serving. The kids we're missing, shown in red, are not only the ones that school districts spend more on in terms of remediation and special education. They're also the ones we

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pay dearly for down the road in other systems like corrections. They're the ones higher ed needs in their pipeline. Because of the investments the Legislature has made in the last several years, we're making a dent in the number of children who would otherwise arrive at kindergarten one to two years developmentally behind and struggle to catch up. I'd say we've only made a small dent, but the early childhood investments this committee and others have made in recent years have made a big difference in closing the achievement gap at precisely the time it's most effective to do so. I'm not here today to ask you to put lottery dollars...more lottery dollars into early childhood. We do need to do more of all...of what is already working, and that is going to require some strategic investments. But whether that comes from lottery or from some other source, I leave that up to you. However, as you wrap up your conversations across the state, remember that early childhood plays a significant role in the educational success of children, particularly those most at risk of failing in school. The development of the brain in the first five years literally shapes the learning capacity for the rest of a child's life. And we look forward to working with you to close the achievement gap for our youngest learners. Thank you.

SENATOR SULLIVAN: Thank you, Jen. If we look at these funds for innovation and if we look at the emphasis that we have continued to put on early childhood, and that's come through in the visioning process, are there some innovative approaches that you would suggest could be used in this arena?

JEN GOETTEMOELLER: I do. We do have some ideas. We...I think we would take some things that are already working right now. For example, the Sixpence Early Learning Fund, that's a public/private partnership. Some of you know quite a bit about that model now and have been able to see how it works. It really focuses on what we know about learning in the very earliest years before kids get to preschool at age four because we know that that is starting a little bit too late for the kids who are most at risk. But the Sixpence model is very innovative and it engages parents. And, you know, when we think about how children learn, it is...I would like you to envision a tennis court.

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The experts call it contingent reciprocity, but we think of it as serve-and-return interactions. And so when a baby, for example, is looking up at you and smiling and trying to get your attention, they're serving the ball across the tennis court to you. And when you respond to them and smile back and coo and talk to them and tell them what they're pointing at, you serve that ball back over to their side of the court. And that's actually what builds brain architecture. And so one of the great things that Sixpence does is...not only does it help improve the cognitive and noncognitive skills in young children, it helps teach parents how to engage their children in those serve-and-return interactions. And the partnerships that Sixpence pulls together look different in all areas of the state, as they really should. The model and the program that works in Omaha is not the one that operates in Broken Bow, and even who is at that table are different players because the community really needs to come together, figure out what works for them. And so Sixpence allows for that and we're seeing great, great success, not only in terms of child outcomes, but in terms of the outcomes it's having in the home with the parenting skills that are able to be raised there, and I think that's sometimes kind of a difficult thing to do. It's a nut that everybody really wants to crack, but we know that the more engaged parents are very, very early on, that's going to set their kids up for success long term.

SENATOR SULLIVAN: Thank you. Any questions?

SENATOR HAAR: Yes.

SENATOR SULLIVAN: Senator Haar.

SENATOR HAAR: Yes, thank you. I'd like to see as society's goal to spend more on preschool than on prisons.

JEN GOETTEMOELLER: That would be a good goal. We would share that goal with you, Senator.

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SENATOR HAAR: Right now, it just seems that the preschool is an add-on and we're trying to cobble together funding from all kinds of sources. In your opinion, doesn't that have to change and we take...that we make the preschool, all that stuff that happens before K, some additional funding to make that work?

JEN GOETTEMOELLER: Yeah, early childhood certainly should not be considered an add-on, and again, I would go back to you all and say thank you for recognizing that. I mean, this committee has certainly done a lot for investing in the at-risk children in their early years over the last couple of years and several other committees have done the same. And I think we're getting to that point where we can see now and recognize and invest in and see early childhood as a worthwhile public investment. And remember that we've got a great private community to partner with here, too, who really want to make sure we move the needle on this issue.

SENATOR SULLIVAN: Senator Kolowski.

SENATOR KOLOWSKI: Thank you, ma'am. Jen, thank you for your confidence in early childhood and I think one of the most important things we'll probably be touching on in our discussions is just what you brought up. The whole extension is, Senator Haar mentioned, of thinking from birth through 16, not 12, or K-12, but let's expand our concept of what an educational system is all about and the career readiness of grades 11, 12, 13, 14. What are we doing in that whole package? So when the university people talk to us or anyone else from any level, let's take our minds beyond the statutory K-12 of the Nebraska Department of Education and think in terms of what else we should or could be doing to better the whole educational system in Nebraska. If we take that attitude on, I know it's not written that way, but if we stretch ourselves that way, I think we can get more done than we have every done before. Thank you.

JEN GOETTEMOELLER: Yeah, you bet. Thank you.

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SENATOR SULLIVAN: Is there more that we can do to leverage public/private partnerships like we have done with the First Five?

JEN GOETTEMOELLER: I think there is...I think there is some continued opportunity. We have a lot of information. We get a lot of requests from school districts, superintendents, and some school boards who want some resources, want some help, some technical assistance. They want some dollars for maybe space. A lot of school districts across the state have space issues and so potentially the private community could be...could be helpful there. So I think there's certainly some things that some good conversations we can have about that.

SENATOR SULLIVAN: Any other questions? Thank you, Jen.

JEN GOETTEMOELLER: Thank you.

SENATOR SULLIVAN: Welcome.

LINDA DICKESON: (Exhibit 12) Thank you. Senators, my name is Linda Dickeson, L-i-n-d-a D-i-c-k-e-s-o-n, and I'm the distance learning manager for the Lincoln Public Schools and the current president of the Nebraska Distance Learning Association. Thank you for the opportunity to speak. The lottery funds provided in LB1208 for distance learning innovation motivated schools statewide to participate in the exchange of the high school courses, synchronously over videoconferencing. Today there's over 500 course offerings available in the clearinghouse called the Nebraska Virtual Instruction Source, or NVIS. LB1208 also motivated schools to join the high-speed statewide network called Network Nebraska. This ample, affordable bandwidth positions us well to improve classroom experiences with new on-line resources. Now, not intending to duplicate anything that our remote participants have said to us already, I just want to tell you a little bit about the Lincoln Public Schools. The Lincoln Public

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Schools didn't participate in distance learning until 2010, so we were late in the game. That first year, only four courses were offered. Since then, we've steadily increased our course offerings so that this school year, the Lincoln Public Schools offers 44 course sections, with selections like 3D digital animation, advanced computer programming languages, digital graphic design, CAD 1 and 2, CAD architecture, beginning digital art, various world languages like Chinese, German, and French, human behavior, and a very popular elective called literature of the Holocaust--and many times those remote kids come to Lincoln and go on the field trip with the Lincoln kids to the Holocaust Memorial--and more. With the growing population in the Lincoln Public Schools, these classrooms are already quite full with up to 32 kids in the class. The distance learning teachers do welcome those remote students into their classes, and they agree that it's a good experience for really both ends of the connection, all students, but sometimes they have to limit the number of students that they can enroll. The truth of the matter is, without the lottery funding for innovating distance learning experiences, we can't be sure how many courses will continue to be shared through the statewide clearinghouse, which might diminish this successful program and reduce course opportunities for Nebraska students. By continuing ample funding for schools in the state sending the distance learning courses, teachers could be paid a well-earned stipend for the extra time and care it takes to teach to students who are not in their building, and for adding students to their already full classes. The sending schools could offer distance learning courses without charging the receiving schools a tuition. The distance learning experience could be improved through blending and personalization, and teachers could receive necessary comprehensive professional development. The state can ensure that expanded course offerings necessary for students to graduate high school and be college and career ready will continue to be readily available to all Nebraska students. Students at rural schools need to graduate, and to be college and career ready. I'll conclude with the hope that the funds will continue for the expansion of distance learning opportunities in the next school year and beyond. Thank you again for your time and thoughtful consideration.

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SENATOR SULLIVAN: Thank you, Linda. Sometimes it gets a little confusing to see the different entities involved. You mentioned early on, the Nebraska Virtual Instruction Source. Now that...is that the same as the Virtual Learning Library that we heard from Mr. Leonard?

LINDA DICKESON: Actually, no, that clearinghouse is just an on-line Web site that the distance learning coordinators and administrators from all schools all over the state can go to, to see what courses are available through distance learning. So it's not a separate entity, although it's supported by some programmers out of ESU 10. They kind of built the interface. And so when we have courses, like in Lincoln, that I want to put in the clearinghouse, I go to NVIS, I log in, I list the course, the teacher, the schedule, whatever, and then the superintendent...the western part of the state can go there and see our times and course offerings. And they click a button that says enroll, and then I get an e-mail and I start the correspondence to get those kids registered. []

SENATOR SULLIVAN: And when they enroll, then is that an interactive environment?

LINDA DICKESON: It depends on the class. I mean, mostly the classes that I'm involved with in Lincoln are the synchronous videoconference courses. And so our teachers that are distance learning teachers, they do have some on-line presence. You know, they maybe also have the class in a learning management system, but primarily we're working with the videoconference, the synchronous classes.

SENATOR SULLIVAN: And then what is Network Nebraska?

LINDA DICKESON: Network Nebraska is the high-speed state backbone, the network that delivers our high-speed bandwidth to the public entities all over the state. So like 96 percent of the K-12 schools in Nebraska have all joined Network Nebraska now and 100 percent of higher ed. So we really have great, terrific bandwidth to start delivering even more kinds of resources, classes.

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SENATOR SULLIVAN: So it's not 100 percent of all the school districts though?

LINDA DICKESON: It's getting closer.

SENATOR SULLIVAN: Oh, okay.

LINDA DICKESON: It's...you know, that little percentage keeps increasing.

SENATOR SULLIVAN: Okay. All right, very good. Thank you. Any other questions for...Senator Haar.

SENATOR HAAR: Yes. Again, a theme that's kind of come up a couple of times. Do you see any way to change the request for funding here from funds from ongoing programs to innovation funds? Because I think that's where the money is going to be going.

LINDA DICKESON: I think the next step in the distance learning opportunities could be kind of a multitiered approach to get us into some additional innovation. You know, we're not going to get teachers trained to blend their classroom and do some of these new strategies right away. It's going to take a little while for those teachers to get on board. So moving forward, perhaps those funds might be in a tiered approach. You know, yes, we need to keep those courses available right now so that those participants we've heard from in other areas still have those course opportunities. But perhaps that second tier is when that teacher begins a BlendEd environment, more personalized. Are they using learning management systems? Do students have more opportunities to work at their own pace on their own path? You know, that could be a second tier. And also part of that funding would need to be for those...that comprehensive professional development so that we can get teachers to that level. So, you know, I don't think anyone is asking for the same old same old. We're asking for the opportunity with the resources coming on board to let's even make this better. And do we also include some

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of those on-line courses that are totally on-line? And how can we improve access to those as well as just the videoconference, the synchronous courses? So I think there's great opportunity to improve how the funds have been allocated.

SENATOR SULLIVAN: Is there enough or is there a need for coordination with all of these different approaches?

LINDA DICKESON: Well, I think there's quite a bit of that coordination going on now and, you know, kind of pioneered by the ESUs. I don't want to keep belaboring the BlendEd learning concept because I think everyone has heard that. But that is in pretty much total agreement statewide that a BlendEd experience can benefit all of our classrooms, not just the distance learning classrooms. But the distance learning classrooms are one of the great equalizers for those equal opportunities for kids all over the state. Can we make them better? Can we make it...improve them? You bet we can, and we're in a really good position to do that now.

SENATOR SULLIVAN: Senator Davis.

SENATOR DAVIS: Thank you. Thank you, Linda. I've been on school boards for years and, you know, when we put our first DL system in, in Hyannis, it was a frustrating experience because there wasn't a lot of interface with other programs. That's all been worked out. But what are the problems today with DL? What are the major problems?

LINDA DICKESON: Well, that's a really good question and I think I have kind of an uplifting answer: is that it's getting easier. And some of the issues you may have dealt with in the early days, you know, ten years ago schools were using those lottery funds to implement these entire room systems, and very costly, and that room could only be scheduled for the distance learning course. The times are changing and more and more of those room systems across the state are getting dismantled. We're using more mobile technology on carts. We still have high-end equipment, but we put it on a cart so

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that we don't have to schedule a room and we can move it. So the cart situation is much better. And what's even better for receiving schools is it's getting less expensive for receiving schools to receive a class for one or two students. They can get that class on a laptop, an iPad, any kind of a mobile device. Some of you have seen that in the meetings that we've had with you where we bring someone in over very high-quality videoconferencing on a laptop. So although we still think the sending teacher, the teacher teaching, needs some high-quality equipment for camera presets and high quality, the receiving school doesn't necessarily have to spend, you know, lots and lots and lots of money on their equipment depending on the class and the number of the students.

SENATOR DAVIS: You've got some fairly interesting and technical classes that you're teaching through that technology. So even within the Lincoln Public Schools, are you doing that from like Southeast to Southwest or...

LINDA DICKESON: Sometimes we are. It isn't as prevalent as I would like it to be, but we do have those situations. We have students at Lincoln High taking Chinese from East High. We had a situation where students wanted AP physics. And our main problem in Lincoln is some of those really important courses don't always have enough students at each high school. I might get five kids at this high school and five at this high school and there's never enough to make it go at any one school. So we had that situation last year, as a matter of fact. And the scheduling gets difficult because the classes are so full. And what do we have? Priorities to schedule and whatnot. But the students at East High, there was a group of about seven of them, wanted that class bad enough they came at zero hour, which is 7:00 a.m. And the teacher at...it was Southwest came at 7:00 a.m. and had a group at Southwest and the East kids at East and they took that class at the zero hour. So we've been doing those on an as-needed basis until we can get kind of a more comprehensive solution, because right now the challenge is who pays for the teacher. You know, if my teacher is teaching it, your kids are benefiting, which school...you know. So it's just conversations that are still

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happening.

SENATOR DAVIS: Are you doing any dual-credit classes over distance learning?

LINDA DICKESON: Not yet, but I think that that is going to be a priority as we talk more and more about college and career...you know, college-ready students. And I think probably a lot of the things you talk about are going to drive us to do a little bit more of that.

SENATOR DAVIS: I think that would be so great for rural Nebraska to be able to offer those sort of classes, you know, from LPS, for example.

LINDA DICKESON: Exactly.

SENATOR DAVIS: Thank you very much.

LINDA DICKESON: No disagreements from me. Thank you.

SENATOR SULLIVAN: All right, thank you, Linda. Welcome.

LANA SIDES: (Exhibit 13) Good afternoon. I'm Lana Sides, L-a-n-a S-i-d-e-s. I'm the superintendent at Banner County School. We are very rural and very sparse. We're on the Wyoming border. We have 800 square miles and about 800 residents. We're very proud of our school. We have a dedicated staff and we strive to be progressive. An area of great pride in our school is our distance education program. LB1103 states that a common statewide vision must be refined to address the potential of all students across the state. I'm here today to ask you to consider the importance of distance learning services for opportunities for all students. With over 200 school districts and all the higher education connected to Network Nebraska, students across the state can take high school curriculum and college credits via distance learning. In Banner County

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School, our teachers currently teach four dual-credit classes to five other Nebraska schools. We teach college composition and history of American West and two college algebra classes. Our students also receive classes such as Spanish II and III, calculus, psychology, sociology, medical terminology, and equine science. DL expands the curriculum, provides students equal opportunities for both high school and college credit. Another way that we are using distance learning is professional development. On February 16, we are hosting 19 teachers in the Panhandle for the NMPDS, which is the Nebraska Mathematics Professional Development Series. And these teachers will not have to make the 572-mile round trip to Kearney. They'll be doing it DL at our school. About the funds, Banner County School receives \$24,000 in distance learning lottery this year...funds. With these funds we pay \$7,600 to our local consortium to upgrade and maintain the labs. We pay \$2,800 annually to Network Nebraska. That's a monthly fee that adds up to the \$2,800. And we pay our teachers that pay...some extra pay and curriculum expenditures. Without this funding I think our program will continue but it will be more limited. I don't think we'll be able to offer as much or receive as much. We ask that you consider distance learning, blended learning, and career academies all together. If schools receive lottery funds for career academies, we suggest that it be a requirement they offer career academy classes via distance learning so our students can benefit from this also. In closing, we ask you to please continue lottery funding in some way for the distance learning and incorporate BlendEd learning in these classes also. Thank you for your time this afternoon.

SENATOR SULLIVAN: Thank you, Lana. When you said that Banner County School received \$24,000, that was just this year?

LANA SIDES: That's this year for last year's classes.

SENATOR SULLIVAN: And had you received the lottery dollars prior to?

LANA SIDES: Yes, it was \$24,000 the year before, about \$20,000 the year before, so

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we've been building up over about the last six years. We get \$1,000 for each class we send or receive and \$2,000 if we send it to a very sparse school. So that adds up to the \$24,000.

SENATOR SULLIVAN: I see. Okay. And when you said that...so then you were doing what all? Oh, psychology, sociology, Medical Terminology, who were you cooperating with on some of those classes? Other...

LANA SIDES: Those classes come from other schools across the state. I'm not sure which schools are teaching those at this time. The Spanish II and III is coming from Morrill. I'm sorry, I don't know where all the rest of them are.

SENATOR SULLIVAN: Okay, that's fine.

LANA SIDES: I'm very familiar with the ones we send.

SENATOR SULLIVAN: Uh-huh, sure. Okay, thanks. And so then when Linda talked earlier about using that, whatever it was called, the Nebraska Virtual Instruction Source, is that...when you want to offer a course, you put it in there and then that goes out to everybody to make them aware that you're offering that course?

LANA SIDES: Yes. We work with B. J. Peters that testified earlier on the times and he puts them in there for us.

SENATOR SULLIVAN: I see.

LANA SIDES: And then we can view it for our students for offerings.

SENATOR SULLIVAN: Uh-huh. Okay, very good. Senator Davis.

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SENATOR DAVIS: Just a couple of questions. Thank you for coming. I know where you live. (Laughter)

LANA SIDES: I know where you live too. (Laughter)

SENATOR DAVIS: Just looking at your curriculum, History of the American West, and this just is maybe not the appropriate place for the question, but how does every...do school boards need to sign off and approve the curriculum that is presented? So when that class is offered, does that other school...is there a document exchange...is exchanged between the two schools?

LANA SIDES: Our school board has to approve all social studies curriculum. I believe it's a requirement. So they have approved these classes and we send the syllabus to the other schools. I do not know if their schools approve it or not.

SENATOR DAVIS: And that could be maybe an issue across...possibly an issue across the state that...

LANA SIDES: It could be. I hadn't thought about different schools.

SENATOR DAVIS: Hadn't thought about it...so you have how many students at Banner County?

LANA SIDES: 170.

SENATOR DAVIS: And how many staff members then?

LANA SIDES: Twenty-two teachers.

SENATOR DAVIS: Twenty-two teachers? Okay, thank you.

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LANA SIDES: Okay, thank you.

SENATOR SULLIVAN: Any other questions for Lana? Thank you for coming to testify.

LANA SIDES: Thank you very much.

SENATOR SULLIVAN: Welcome.

JAY SEARS: (Exhibit 14) Thank you. Good afternoon, Madam Chair and members of the committee. For the record, I am Jay Sears, that's J-a-y S-e-a-r-s, and I'm here and I'm representing the 28,000 members of the Nebraska State Education Association. On March 19, 2013, NSEA appeared before this committee in support of LB497; I think I was the one that testified. And during the 2013 and 2014 Legislative Sessions, NSEA testified for and supported various legislative bills that used lottery funds in some manner, always reminding the committee that our support was conditioned on the review of those funds as outlined in LB497. Now we are at that appointed review and NSEA is here to give the full support to the continuation of funding the Excellence in Teaching Act and its two main programs, the Attracting Excellence in Teaching Program and the Enhancing Excellence in Teaching Program, from the lottery funds. Just a side note, the Attracting Excellence is for undergraduates to enter the profession of education and the Enhancing Excellence in Teaching Program is also a loan forgiveness program for educators already teaching to get endorsements and further their education. Currently, the Excellence in Teaching Act receives \$1.2 million per year from the lottery. Of that \$1.2 million, \$400,000 is directed to the Attracting Excellence Program; \$800,000 is directed to the Enhancing Excellence Program. And again, those are all loan forgiveness programs. Since 2006-07, the Attracting Excellence Program was awarded more than \$2.5 million to 736 undergraduate recipients, about \$3,400 for each recipient. And the Enhancing Excellence Program was awarded more than \$2.26 million to 923 graduate recipients. These figures, of course, do not include the 2014

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funds yet that were allocated in the additional funds that were also allocated by the Legislature. These two loan forgiveness programs are well worth the continued allocation of lottery funds through the Nebraska Education Improvement Fund. Both programs provide young Nebraskans the incentive to enter the education profession and to continue their educational development through coursework that leads to much-needed endorsements in shortage subject areas such as: special education, early childhood education, math, science, counseling, speech pathology, reading, English language arts, and career education. Almost everything that we have endorsements in are becoming a shortage. And that's the important data that comes in the next paragraph. The loan forgiveness programs will be vital in the future years to attract and retain teachers in the profession, as recent data point to a steady decrease in the number of students entering the teaching profession. The recent Title II reports to the federal Department of Education show a 9.62 percent reduction in the number of students that are enrolling in teacher education. This data is from the...comparing the 2011-12, 2012-13 Title II reports to the U.S. Department of Education. And this parallels what's happening nationwide. People aren't going into the education profession. And so that's the reason that we come before you is to say, please, keep those funds coming. It's the only incentives we have to recruit and retain people in the profession and that profession is starting to dwindle. People like me have retired. People aren't coming into the profession as they used to. In fact, more and more--because of student aid debt--are going into professions that pay them a lot more. So as you consider that and look at your goals, I believe it's Goal 3 that deals with professional development of the educator work force. That would be a good place to put it all, in there. So thank you very much for your time and your work.

SENATOR SULLIVAN: Thank you, Jay. Do you know, did these two funds have their original funding source as the lottery?

JAY SEARS: Yes. It was...in fact, I can tell you the language that was written into the bill because I was there when it was written.

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SENATOR SULLIVAN: Okay.

JAY SEARS: That's how old I am. I'm sorry. (Laughter) But the Attracting Excellence, the first undergraduate program, was the first one under the lottery funds. And it was to incentivize students to get repayment of loans to go into the education profession. And then as we got shortages, the Excellence in Education was added to add endorsements in shortage areas. And we've changed the special ed endorsement so that you get a general endorsement now as an undergraduate. And specialities are added on as graduate endorsements. And so we realized that the skills and knowledge needed to work with some of our special populations has grown and the things that we need to do and know are much more. And it's taking people's time to go to college, but you've got to have the knowledge to do the program, so. Thank you for the opportunity; appreciate it.

SENATOR SULLIVAN: Okay, very good. Any other...? Senator Kolowski.

SENATOR KOLOWSKI: Thank you, Madam. Jay, thank you for your comments and...

JAY SEARS: Sure.

SENATOR KOLOWSKI: What can we do to try to build up more interest, especially with teacher academies and high schools across the state?

JAY SEARS: I think those are coming back because NSEA is in its second year of being a corporate sponsor of the FEA. And we want to thank the PDK for working at that for the last, I don't know, what, 30, 40 years with them. But it's starting to grow. For those of you that aren't familiar, the Future Educators Association is a program to interest kids in...at least at the high school level and kind of going the same career route as the career education, to get involved in education. In fact, one of the career

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pathways is education, not only into teaching but into "para ed" and some other training programs. And so we have to build the profession and we have to start it all over. As the senator knows, we're the end of the last stage that started in the early '70s and we've got a new millennial group coming through. So we've got to keep that building. So thank you for the opportunity.

SENATOR SULLIVAN: Any other questions? Senator Davis.

SENATOR DAVIS: I just want...thank you, Senator Sullivan. Jay, you talk about Nebraska not having any other programs. What other states...what do other states do to incentivize people moving into teaching?

JAY SEARS: Different states have different incentive programs. Most of them work the same way as ours do. I'm not sure how they're funded, but they're incentivized in that if you get a degree in a shortage area and you stay in a school district, you get your loan repaid. Or if you work in a poverty district, it gets paid twice as fast. And a number of states for the in-service, the educators already teaching, already with their degrees, actually have state aid for professional development. And you all remember that the Legislature decided to take away the master's degree funding in TEEOSA, and so we've lost that piece for districts. And so again we have to look at our priorities and I know that's not an easy thing to do in Nebraska or any other state for that matter. But when we're talking about important programs, like early childhood, and getting on the front end of things, we also have to train the educators that will be in those classrooms. And we have to attract quality people into those professions, so.

SENATOR DAVIS: Thank you.

SENATOR SULLIVAN: Okay. Thank you for your testimony.

JAY SEARS: Thank you.

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SENATOR SULLIVAN: Welcome.

MADIGAN BRODSKY: Hi. Good afternoon. My name is Madigan Brodsky, I am 14 years old and I am eighth grader from Westside Middle School in Omaha. And since we haven't really heard anything today about the gifted education programs yet in our state, I'm here to talk to you about my experience with EY, the Excellence in Youth program in my district, and other opportunities I have been honored to be part of in my school system. Today I am a successful student. I'm happy and engaged and I'm eager to go to school each morning. I have a 4.0 grade point average. I'm the president of the National Junior Honor Society at my school. I'm a member of SkillsUSA, Student Advisory Board, and the Quiz Bowl Team. I'm taking honors geometry, a sophomore-level math class, as an eighth grader. I'm on the yearbook staff and I was honored with the Love of Learning Award this year. The highlight of my year has been the opportunity to explore my interest in journalism. My EY coordinator recognized this interest and was able to make arrangements for me to attend our high school each day for mass communication classes, the introductory level journalism class for the high school. I love this class and I am excited to put my heart into each and every assignment I get to complete. I am proud of myself as a person. I am proud of my work ethic. I am proud of my accomplishments. I love my teachers and more than anything want to make them proud. I love to learn and take any opportunity to push myself. So by now I'm sure most people roll their eyes and think one of a few things: What an embarrassment of riches. This kid clearly has more than her share of good fortune. Some kids are just born with the gifts that cause them to achieve. And what you as a school board might be thinking is, good for her, but as a school board we need to spread scarce resources to help kids without her gifts and abilities succeed. She will do fine on her own. But here's the thing. I could easily be a mediocre student struggling to find meaning and motivation in my day. I was, and for a very long time. In fifth grade I hated school so much and was bored to tears. I did what I had to do but found no joy and no motivation in school. Then I was pushed. Moving me to the accelerated program

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made all the difference. It seems very counterintuitive, but they took a bored C-average student in math, moved her ahead two years, and suddenly I was thriving and loving every minute of it. Most importantly, I went to Westside Middle School and met Ms. Job. She recognized my interest in journalism. She really saw me and what I needed. I will be able to achieve so much more in high school journalism because of the head start I have this year, and I will always be grateful to her for that gift. As Thomas Edison once said, "Genius is 1 percent inspiration and 99 percent perspiration." I do not see myself as gifted and I don't like that label. It implies luck or a sense that I was given something that makes me a natural achiever. Instead, I view myself as motivated and engaged, as a student who has been lucky enough to have teachers who recognize the extra push and challenge that I needed to excel. I'm sure there are many students like me. How many kids out there dread school, have a hard time focusing, and are seen as mediocre? The majority? How many of those kids could be true achievers if they just had the teacher and resources who recognize the spark that they need to ignite their minds and enthusiasm. While I'm considered part of the gifted program in my district, I do not see my gift as my natural ability. If I am gifted, it has been with the gifts of teachers and resources who were able to recognize the simple spark that I needed to fully engage. When you look at gifted program funding in our state, please consider it a gift to all students who may be struggling to find that spark. I know it's a simple idea, but I don't think it's a small one. And thank you for letting me share that with you today.

SENATOR SULLIVAN: Thank you for your testimony. So the teacher you referred to, she is the high-ability teacher?

MADIGAN BRODSKY: Yeah, she's the EY coordinator.

SENATOR SULLIVAN: Okay, all right. Very good. Senator Haar.

SENATOR HAAR: Could you spell your name for us?

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MADIGAN BRODSKY: Oh, sorry. I forgot to do that. Madigan Brodsky, M-a-d-i-g-a-n B-r-o-d-s-k-y.

SENATOR HAAR: Thank you.

SENATOR SULLIVAN: Great job, Madigan. Thank you.

MADIGAN BRODSKY: Thank you.

SENATOR SULLIVAN: Welcome.

MARY NIEMIEC: (Exhibit 15) Thank you. My name is Mary Niemiec, M-a-r-y N-i-e-m-i-e-c, I'm the associate vice president for distance education with the University of Nebraska and I am also director of the University of Nebraska Online Worldwide initiative. I'd like to offer comment in support of continuing the lottery funds for distance education. The University of Nebraska is committed to educational access through distance education and offers over 100 programs fully on-line to students at a postsecondary level. Additionally, we have maintained a commitment to offer high-quality college preparatory secondary school courses to students at a distance and in partnership with high schools for 85 years. The University of Nebraska High School is part of the educational outreach mission of the university and, as such, is a component of the University of Nebraska Online Worldwide. NU and UNHS were members of the Nebraska Virtual Partnership in 2011 alongside the ESU Coordinating Commission (sic), NET, and the Department of Education. As a component of that effort, NU offered a pilot program in 2011 which provided a limited number of scholarships for on-line courses from the high school. The pilot demonstrated the need from both rural and urban schools, in particular those serving a high proportion of low-income students. So the Nebraska Virtual Scholars program has now been offered for three years and has granted a total of 386 course scholarships to 69 schools across Nebraska. I'd like to share with you two brief quotes from school counselors. All of these are examples from

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rural schools west of Grand Island. From an academic advisor in a high school with 26 students: Because we are such a small district, we only can offer one section of courses to our students. This means students needing to make up classes are often unable to schedule them into their daily schedule. Also, we do not have the staff or schedule to offer enrichment to our high-ability learners. Students needing to retake courses or students moving in that have not taken a required course will be able to earn missing credits. And from another advisor in a high school of 106 students: A senior who is trying to gain entrance into the Naval Academy or Air Force Academy needs to have taken a year of calculus and we do not offer it. We are a closed campus, so taking a course at the local community college is not an option. He is involved in athletics and drama so a night class is also not an option. Having this math class strengthens his chances of selection. You can see from these quotes that the on-line courses from UNHS provide for a blended learning approach that meets the unique needs of students and the challenges faced by their schools in meeting those needs. Our experience in working with Nebraska high schools highlights the importance of on-line education in our state and the needs of Nebraska schools, particularly in the areas of STEM, career education, and world languages. UNHS is a self-supporting unit at the university and is funded through UNHS tuition dollars. The courses requested by the schools in Nebraska are not currently funded through the lottery funds due to the language in the current legislation that limits the use to technology and two-way video. And I know I'm out of time, but I have one paragraph.

SENATOR SULLIVAN: That's fine.

MARY NIEMIEC: Okay. I would respectfully ask that as you evaluate the use of lottery funds for education that you continue the commitment for distance education and that the terms of the use of those funds be broadened to include UNHS on-line courses so that Nebraska high schools may use the courses to serve students, maintain accredited offerings, and ensure a robust curriculum locally. The effective, efficient, and academically driven way in which we use technology to teach requires a multifaceted

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approach and a variety of options to help our Nebraska schools and our students to succeed. Thank you.

SENATOR SULLIVAN: Thank you. So what's the status of the Nebraska Virtual Scholars program right now?

MARY NIEMIEC: We just finished the third round of competition and funded 211 scholarships to 35 schools. Those weren't even...those weren't listed in the set. What we're looking at now is making it a public-private partnership to help sustain it. The university is committed to keeping the Virtual Scholars program going. We of course have limited resources, so we're working with the University of Nebraska Foundation to look at potential donor opportunities to keep that going.

SENATOR SULLIVAN: Okay. And so the university...that's specifically through the University High School?

MARY NIEMIEC: Those courses are through the University High School, yes.

SENATOR SULLIVAN: For the Virtual Scholars program?

MARY NIEMIEC: Yes. They're all high school courses and they're full courses. The high school is a college prep high school, nationally accredited, and our core courses are NCAA approved, meaning that students who may want to play sports in college, these courses make them eligible.

SENATOR SULLIVAN: Okay. All right. Senator Kolowski.

SENATOR KOLOWSKI: Thank you, ma'am. Mary, thank you for your presentation. And it's a rather unknown treasure in our state...

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MARY NIEMIEC: Yes, it is.

SENATOR KOLOWSKI: ...as far as what you do and how we have the ability to do so much with that on-line program. Can you tell us, just give us some figures, how many courses do you offer? And how many have been taken in the last academic year?

MARY NIEMIEC: We offer over 100 courses and we had...we've got about 2,700 students with about 9,000 enrollments in this past year. We offer courses in all 50 states...well, except for North Dakota right now. And we have international students also enrolled in the courses. UNHS is by statute a special purpose school in the state of Nebraska. All of our teachers are licensed in the state of Nebraska and endorsed in their subject matter.

SENATOR KOLOWSKI: Tell your principal hello for me.

MARY NIEMIEC: And we have a fabulous principal who is retiring and we're looking for a new one. So if you know of anyone, please, send them our way.

SENATOR SULLIVAN: Any other questions? Thank you.

MARY NIEMIEC: In the back of the packet is some information. Thank you.

SENATOR SULLIVAN: Okay. Thank you, Mary. Welcome.

JEFF COLE: (Exhibit 16) Thank you. I'm going to deviate a little bit from my prepared comments to respect your time. And my name is Jeff Cole, J-e-f-f C-o-l-e. I'm the network lead for Beyond School Bells. That's a public-private partnership at the Nebraska Children and Families Foundation that works with expanded learning advocates and practitioners across the state and nation to develop partnerships that support policies that lead to more high-quality, sustainable ELOs for community...for

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Nebraska youth, especially youth from our state's highest-need communities. The reason I wanted to jump in here earlier was I think I could answer the question about the one Lincoln High student that was taking the distance learning Chinese from East. That's my daughter, so I was very proud of that and wanted to make sure that was on the record. But I also...the reason...I've spoken with this committee before about expanded learning. And the material you have in front of you today is some material that we developed in response to LR546, which was the interim study that Senator Kolowski pushed forward last year to really look at ELOs across the state. So there's a lot of information in there; it's a draft. We anticipate providing more information in a more complete form to the committee later. But I thought as you're thinking about this portfolio of investments that you're going to be making and using these lottery dollars for, it was a good opportunity to think about the really important role that expanded learning opportunities play in communities across the state. And as I was listening to testimony, you know, we have things starting from early childhood on one side to university on the other. And thinking about innovations, kind of working within the traditional system but, as Senator Kolowski mentioned, you know, thinking maybe beyond the traditional K-12 framework as we viewed it, you know, in the past. And I think ELOs really provide--and I think the data really supports that--a critical, overlooked component of state investments in educating our youth. It's outside of the school day so we tend to not think it's as important as it could be. But for parents across the country--and there's some data in there about parents in Nebraska--parents who can invest very handsomely in their children's expanded learning opportunity programs and reap the benefits of it--as I've mentioned, my daughter takes Chinese; we introduced her to that on our own dime--parents across the country are increasingly putting significant investments into their young children's out-of-school-time learning opportunities. Low-income parents are trying to catch up with those investments, but they simply can't. And so I think it's really important as you think about prioritizing investments and investments that haven't been made before, so possibly have a higher return on investment, possibly have the opportunity to reap benefits, they haven't gone down that law of diminishing returns yet because we don't have state investments in this field. But if we do some targeted

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investment, providing expanded learning opportunities for the youth who need those opportunities the most, I would say it's a perfect example of what Senator Haar was saying, an innovation that could potentially have dramatic impact on educational outcome, especially for those youth who need these opportunities the most, those low-income youth that the data is pretty clear on are lacking the out-of-school-time opportunities that their high-income peers have. And it makes a difference. Ask any parent. Ask any teacher, the investments that you make during the out-of-school-time programs really do have a significant impact. So I'm free to answer any questions, but I just wanted to kind of point out some of the themes that I saw emerging in the discussion and really recommend that...I don't know if it's this source or another source, but as you're looking at a portfolio of investments, this is one that should be given very serious consideration.

SENATOR SULLIVAN: Thank you, Jeff. But how do you then target, as you said...

JEFF COLE: Right.

SENATOR SULLIVAN: ...but even targeting, know that you can't reach out to everyone? And then how do you then take into consideration the variety of ELOs that are going on, some of which may be really good at targeting these people, some may not?

JEFF COLE: Right. Right. Yeah, I think we're fortunate in Nebraska that we do have a system we can build on. The federal government has invested pretty...over the past decade in the 21st Century Community Learning Centers grant program. So that is a program that requires schools and community partners to come into a partnership agreement where they offer programs in the school building that are separate from what's going on during the school day but build on the learning that takes place during the schools. Those are thoroughly evaluated. It shows that young people who participate in these programs...and those are targeted for districts and buildings that have more than 40 percent of their students on free or reduced-price lunch, so that's the

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targeting element. Unfortunately, there's not enough dollars to go around to every school that could use those programs. In your packet I included some survey data. And one of the things that comes out pretty clearly is that there's a very high demand for high-quality ELO experiences by parents of low-income youth. And so...

SENATOR SULLIVAN: How many community learning centers do we have currently and where are they?

JEFF COLE: Yeah, currently in Nebraska, and there's a map at the very back of the packet, there's 108 sites spread across the state that have been funded by the 21st Century grant program. It's the very last insert in the packet. So there's a map that shows that distribution. But that's--you know, as we've talked about before--that's the tip of the iceberg. There's lots of other programs. I think you've mentioned extension plays a really important role in your part of the state; they are key partners to this work. They are starting to provide more collaborative programming. So I think there's a lot of partnerships. I think we could develop a structure building on what's successful in Nebraska. But putting Nebraska dollars into it allows us to structure the program not by what folks in Washington may think is a good idea, but what people in Nebraska think is needed here.

SENATOR SULLIVAN: Okay, thank you. Any other questions? Senator Kolowski.

SENATOR KOLOWSKI: Thank you, ma'am. Jeff, thank you for your comments and I'm looking forward to reading this in more detail. What would be the three or four major points you'd say if you wanted to give us a quick overview very quickly? And I think that would be...

JEFF COLE: Yeah. Yeah, you know, we recently found out that Nebraska has been ranked a Top 10 state for after school and that was based on a couple of key factors. The young people who participate in after-school programs like them and attend them

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regularly. At ten hours per week, they're doing more than any other state in the Union. Parents like these programs. Parents really value the programs in Nebraska. At about a 97 percent approval rate, they're getting really high evaluations. The problem with it in Nebraska is the availability of slots for low-income youth. We're in the lower tier of states in that category. But I think the story is a successful one. We're doing things right. This builds on Nebraska's strengths. School-community partnerships work in Nebraska. We have strong public schools. We have strong community organizations. We just need to create ways to fund the kids who need these programs and experiences and learning opportunities the most, have access to those programs on a regular basis. When they do that, we see positive benefits. Their attendance in school-day programs goes up. Their behaviors improve. The negative behaviors decrease, and ultimately coursework goes up.

SENATOR KOLOWSKI: Are we still leading the country with moms and dads both working?

JEFF COLE: We are. I mean, that's the reality of this expanded learning opportunity window. It happens during the window that parents aren't home. So you see police chiefs and others from across the state really saying this is a valuable prevention strategy in our communities because, you know, we need to have those kids engaged in something productive. The benefit of that is, you can put in really engaging, hands-on learning experiences. And a couple of speakers mentioned STEM. STEM is a great thing that can happen in after-school programs. Kids can get excited about these projects and then bring that excitement back to the classroom.

SENATOR KOLOWSKI: Thank you. Thank you.

SENATOR SULLIVAN: Thank you for your testimony.

JEFF COLE: Thanks. []

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SENATOR SULLIVAN: Welcome. []

ROGER BREED: I heard that.

SENATOR SCHEER: Nothing else to do today, Roger?

ROGER BREED: I'm back.

SENATOR SCHEER: Retirement has (inaudible) you well.

ROGER BREED: (Exhibit 17) Yeah. Did you guys miss me? No. Yeah, thanks, I didn't think so. Well, Senator Sullivan, members of the Education Committee, I'd like to thank you for the opportunity to offer some input. My name is Roger Breed, R-o-g-e-r B-r-e-e-d. I am representing the Greater Nebraska Schools Association, a collection of 24 school districts serving 200,000 of the 300,000 public school students in Nebraska. Our mission is to collectively advocate for all Nebraska public school students, and we look forward to working with this committee in the future regarding sound education policy. I'd like to offer three quick points and then stand for any questions or abuse that you would like to give me. First of all, the GNSA, its member school district boards and superintendents stand ready and willing to assist this committee in setting priorities for the use of education lottery funds. There are many, as you have heard today, good and worthy uses for these funds. And I think the input of school districts representing two-thirds of the students would be crucial to setting priorities. Secondly, GNSA opposes the concept of using education lottery funds for any portion of the Tax Equity and Educational Opportunities Support Act, TEEOSA, as this would become a slippery and possibly untenable position that would potentially jeopardize required annual school district operations. Third, GNSA generally supports early education grants...early childhood education grants that enable school districts to initiate quality early childhood education programs that after the end of the grant cycle are accounted for under

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TEEOSA. Thus, you have both an initiative or incentive grant and you have a sustainable funding source. This grant's program has greatly expanded quality early childhood education programs across the state, but the need remains high. Presently, the school districts of the state serve only 59 percent of the at-risk, early childhood students. The majority of these students live in GNSA school districts that serve almost 70 percent of the state's school-age students that qualify for free and reduced-price lunch. Students...the position on this is that students need to be school ready long before we worry about them being college or career ready. Again, GNSA plans to be an active and open partner with this committee in shaping good statewide education policy. I thank you for the opportunity and will stand for questions.

SENATOR SULLIVAN: Thank you, Dr. Breed. With respect to the early childhood grants, so if I understand you correctly, you're advocating for the continuation and/or expansion of them?

ROGER BREED: Expansion would be great, but I know we just did a minor expansion in the last session. I would certainly like to continue that and possibly offer an expansion of that. I know earlier you asked about, well, what about innovation? You know, how innovative is an early childhood program? Well, when you get to be my age, early childhood programs are indeed an innovation, because 15 years ago they were the rare exception in school districts rather than a common practice. So I see them as both an innovation and a necessary expansion of our education efforts in the state.

SENATOR SULLIVAN: Okay. Thank you. Senator Kolowski.

SENATOR KOLOWSKI: Roger, just in the second paragraph, 24 member school districts, is that correct?

ROGER BREED: Yes.

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SENATOR KOLOWSKI: Districts--thank you very much.

ROGER BREED: Thank you.

SENATOR SULLIVAN: Senator Scheer.

SENATOR SCHEER: Roger, based on the longevity of your career, if we are putting more dollars into the early childhood portion of education, then would it be your thought pattern that at some point in time the costs of the higher education--you know, the K-12 and on up where we have different things in the state aid which would be additional costs to the state--do you see those at some point diminishing because of this?

ROGER BREED: One of the things that research has rather consistently shown is that high-quality early education programs--and we're basically talking birth to...through age eight--the result of that is a reduction of special education and remedial education efforts. Those tend to be two of the more expensive efforts that we make in public education. And so a reduction of those could have an ultimate benefit which would allow us then to expand college- and career-ready efforts in high school.

SENATOR SCHEER: Is it sort of a double-edged sword though, because if you reduce...well, although the government...the federal government doesn't participate at the level it's supposed to with special ed...

ROGER BREED: Right. That's...

SENATOR SCHEER: ...but if we reduce that, we're really reducing the federal's exposure and not really so much the state exposure.

ROGER BREED: Yeah. Unfortunately, you know the intricacies of the details. And that is one of the uncontrollable negatives with regard to special education funding is that it

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is unpredictable as to what the federal government will do or won't do. The last decade we received additional federal resources to expand special education efforts and support from the federal government. This decade, that has not been the case and, in fact, it is reversed.

SENATOR SCHEER: Thank you.

SENATOR SULLIVAN: Senator Davis.

SENATOR DAVIS: A couple questions, Roger. The first one is, you talk about early childhood within the parameters of TEEOSA. So does that mean that you would not support an early childhood program around the state if it was not included in TEEOSA?

ROGER BREED: If we are to sustain early education efforts across the state, I do not think we should subject it to solitary funding. I think it should be something included within our overall state aid funding mechanism so that it is sustainable. It indicates a commitment of the state. It indicates a commitment to our citizens.

SENATOR DAVIS: And then the second question...I'm just looking for some data. Do you have any idea how much of the GNSA school budgets as a percentage of their overall budget is coming from property taxes to pay for those special education dollars?

ROGER BREED: No, I don't. But I could.

SENATOR DAVIS: Could you obtain that for us?

ROGER BREED: I could, yes. Yeah, I'm...let's be clear. I'm the executive director for approximately two days.

SENATOR DAVIS: You're supposed to know everything.

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ROGER BREED: Well, yeah. That's what I told them when I applied. They're finding out otherwise now, so. (Laughter) But we will be generating that kind of...because I think that is extremely important types of data to present and I'll get that to you.

SENATOR DAVIS: If you could, I'd appreciate that.

ROGER BREED: Will do.

SENATOR SULLIVAN: Yes, Senator Scheer.

SENATOR SCHEER: Well, in regards to your previous comment to Senator Davis, having it part of TEEOSA, but my problem with that is you have school districts that are nonequalized that are limit...hit on their expenditure limit that are nowhere close perhaps to the levy limitation by the state of the dollar and a nickel or whatever the case might be. But from an expenditure standpoint, they're limited.

ROGER BREED: Right.

SENATOR SCHEER: So they get the funding on a grant basis to start a program. But without additional expenditure deviation, what do they do with the program when the grant falls off?

ROGER BREED: Well, you know, one would say, if they don't require TEEOSA support through state aid, then they would have the resources internal to their school district to sustain that program and...

SENATOR SCHEER: Well, that wouldn't necessarily be true, Roger, because they have an expenditure limitation as well.

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ROGER BREED: That could certainly be something we could talk about, yeah.

SENATOR SCHEER: Well, I'm just saying that's my concern...

ROGER BREED: Right.

SENATOR SCHEER: ...because I'm not...they have...they may have the valuation to assess against. That's not what I'm talking about. They have the same limitation as far as growth as every other district.

ROGER BREED: In terms of budget limit and...

SENATOR SCHEER: That's correct.

ROGER BREED: Yeah.

SENATOR SCHEER: And so, consequently, when those grants go away and those dollars are no longer flowing to that school district, that makes that district decide if the pre-K education is more important than some other things that they're already doing within their district.

ROGER BREED: Right.

SENATOR SCHEER: And so we no longer have a universal concept in pre-K.

ROGER BREED: And my ultimate response to that, Senator Scheer, is that if we feel, as a state, an expansion of our public school effort should include early childhood education accessible by all students across the state, then we have to find mechanisms, including taking a look at that levy limitation, when it involves a dampening of a program like early childhood education.

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SENATOR SCHEER: But you can certainly see...

ROGER BREED: Oh, absolutely.

SENATOR SCHEER: Okay.

ROGER BREED: Yeah, the choice...I've been there.

SENATOR SCHEER: Okay. I mean, I'm not pulling it out of the sky here, so I mean it's a real problem.

ROGER BREED: I know. You unfortunately paid attention at the wrong time, so.

SENATOR SCHEER: Yeah. Thank you, Roger.

ROGER BREED: Good to see you.

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

ROGER BREED: You bet.

SENATOR SULLIVAN: Welcome.

DeKYAH ROSEMOND: Thank you. My name is DeKyah Rosemond, spelled D-e-K-y-a-h, last name, Rosemond, R-o-s-e-m-o-n-d. I'm here to speak in full support of funding for the high-ability learners in the state of Nebraska. All throughout my life I've been taught to value education. Ever since preschool I've loved learning. But it wasn't until my eighth grade year at Westside Middle School, just last year, that I was fully able to reach my educational potential through the Excellence in Youth program. In this

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program I was...had the opportunity to expand my education and kind of broaden my horizons. I was invited to do all types of academically advanced things, as they say, like I was able to attend highly advanced classes and I was also invited to seminars. These seminars were made specifically for the interests of these learners such as me. One seminar I attended was at the University of Nebraska Medical Center. Because I have an interest in the medical field as a career, this was a great seminar for me. At this seminar I had a tour of the campus and got some kind of resources for what I may be able to do in the future. Jiddu Krishnamurti once said that, "The whole of life, from the moment you are born to the moment you die, is a process of learning." It's not that you read a book or pass an examination to just finish education. This quote, I completely agree with. It is a time in a child's life when they need to learn and it's very important for them to have that specific support that they need. That is why I'm in full support of funding towards high-ability learners in the state of Nebraska. And I am available for any questions you may have.

SENATOR SULLIVAN: Thank you, Ms. Rosemond.

DeKYAH ROSEMOND: You're welcome.

SENATOR SULLIVAN: Wonderful job testifying.

DeKYAH ROSEMOND: Thank you.

SENATOR SULLIVAN: Did you tell us what year you are in school?

DeKYAH ROSEMOND: I'm a freshman at Westside High School.

SENATOR SULLIVAN: Okay. And your aspirations include?

DeKYAH ROSEMOND: Well, since I've always, like, loved learning, when I grow up I

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just kind of want to be either a doctor or a lawyer. And I always just try to do my best in everything I can. I just love learning.

SENATOR SULLIVAN: Sounds like you might be able to do both. Any questions for her? Thank you for your testimony.

DeKYAH ROSEMOND: Thank you.

SENATOR SULLIVAN: Welcome.

KORINNE TANDE: Good afternoon. I will apologize. I'm a little hoarse today.

SENATOR SULLIVAN: Me too.

KORINNE TANDE: So I do have cough drops I can share with you. So my name is Korinne Tande. It's K-o-r-i-n-n-e T-a-n-d-e. And I'm here today to speak on behalf of the Nebraska State College System and the critical appropriation of the lottery funds towards the Nebraska Opportunity Grant. I was listening earlier and my colleagues from the university and the community colleges laid a nice framework for what the Nebraska Opportunity Grant is. So I will just keep my talk a little bit about the specifics toward the state colleges. Forty percent of our students receive Pell Grants. Those are some of our neediest students. Forty-five percent are getting some form of need-based aid. So 45 percent are also first generation and those students are students who had nobody to pave the way. So why do these students attend college when it can be such a financial challenge? So a quick story: I was shopping this last weekend and I was chatting with the sales girl and she asked me what I did. So I talked to her about the state colleges. So I asked her about her college plans and she said she is attending Southeast Community College and she's only able to take one class at a time because of the cost. And as I was sympathizing with her she said to me--and these are her words, not mine--it's hard, but college is so important. You used to be able to get by with a high

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school education but you can't anymore. You have to go to college to get a good job. And I thought, bless the heart of that high school counselor. But these students know what we know: College changes lives. So last year the state colleges received a little over \$980,000 in Nebraska Opportunity Grant money. That sounds like a lot of money, but in reality just a little over a third of our students who were eligible to get funding got funding. That left almost two-thirds of the eligible students who did not get the Nebraska Opportunity Grant. We also have a figure that gets computed and that's unmet need and that's been mentioned earlier today too. Last year our unmet need was nearly \$5 million. So after you figure out what it's going to cost, all the aid that they can apply, there's that gap and that's a critical gap. And often our students have to work, have to borrow money from private lenders. And as was mentioned before, that really puts them at risk for completing school. It is a critical part of our mission to keep college affordable. And as you know, we have kept tuition now for the third year as it's been for the last two. But reducing the funding available for the Nebraska Opportunity Grant puts our students at risk. So a couple of statements from a couple of students who receive the Nebraska Opportunity Grant who happen to attend Peru State College: While I have had to take out loans, I am grateful the Nebraska Opportunity Grant has helped reduce that loan burden. And then he added, thanks for helping people like me achieve a better future. And from Tracy (phonetic): Being a single father of a three-year-old, working full time and going to school full time can be very hard financially and your help is welcomed and appreciated. Thank you. So you get the idea. Our students are hardworking, they're committed to earning an education and making a difference in their lives. So from Chancellor Carpenter and all of us at the state colleges, thank you for your continued support of the Nebraska Opportunity Grant. They are a solid investment in our students and in the state of Nebraska. So, questions?

SENATOR SULLIVAN: Thank you, Ms. Tande. Well, it was a question that I asked one of the testifiers I think from Alliance. If you look at the current way we operate the Nebraska Opportunity Grants, are there any suggestions that you have for improving the way it's done?

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KORINNE TANDE: Well, I think, and it was mentioned, being able to address those students that are just above that expected family contribution for Pell Grants, because that is right around \$5,200. And so that isn't a lot when you think about the cost. I know you also asked about the debt load for the university students. Our average debt load is about \$12,000, and that puts us lower than the state average. And the university is even lower than the national average which sits at about \$29,000 right now. So we are...we really work to make college affordable I think in the state of Nebraska, because we put a very high priority on it.

SENATOR SULLIVAN: Thank you. Senator Scheer.

SENATOR SCHEER: Thank you, Senator. Couple of questions. One, how do you determine...you said a large portion of the students were not able to fund. How do you determine which to fund and which do not get funded?

KORINNE TANDE: Well, I think that is a question that is better asked by somebody who works directly with those funds. And I know that the Coordinating Commission is here. Perhaps that can be answered because I don't know that question. I just had the statistics in front of me.

SENATOR SCHEER: Fair enough. No, that's fine. And an aside to that, if you could, do you know what the annualized cost for the student per year is for the state colleges?

KORINNE TANDE: Around...between \$11,000 and \$12,000 a year.

SENATOR SCHEER: Okay, thank you.

KORINNE TANDE: I do know that one of the colleges, and I think they may all do this, is they focus most of the Nebraska Opportunity Grant on freshmen and sophomores

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because freshmen and sophomores have less loan ability and less funding availability from other sources than juniors and seniors. And so I know most of the focus is on those two bodies of students.

SENATOR SCHEER: Okay. Thank you very much.

SENATOR SULLIVAN: Senator Davis.

SENATOR DAVIS: You heard me ask the question about the incidental costs of the university and community colleges. Do you know what yours would be, board and room and...?

KORINNE TANDE: About \$12,000.

SENATOR DAVIS: That's \$12,000. So it's the same.

KORINNE TANDE: Yeah, between \$11,000 and \$12,000. Yes, about the same, uh-huh.

SENATOR DAVIS: And so then you say that your student body has a debt of \$12,000. Are you talking at the time that they graduate?

KORINNE TANDE: At the time they graduate, the average student debt, uh-huh.

SENATOR DAVIS: So that's pretty good.

KORINNE TANDE: That is pretty good, yes. We're very proud of that. In fact, we try to find funding for our students in many different ways.

SENATOR DAVIS: So when you have students who aren't eligible, I mean when the money is gone, then do those students move on to foundation aid from the Wayne State

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College Foundation in Chadron?

KORINNE TANDE: Well, some of them are getting academic aid. There are scholarships for academic aid. There's outside sources. A lot our students benefit from the Buffett Foundation scholarships that are out there that pay room, board, and tuition and things. And so with 75 percent of our students getting some sort of aid but only--what did I say--45 percent are getting need-based, those others are academic. They may be getting community scholarships. They may be getting scholarships from folks that have said, this scholarship is for somebody in art, you know, those academic scholarships and things like that.

SENATOR DAVIS: Okay, great. Thank you.

SENATOR SULLIVAN: Senator Haar, did you have a question?

SENATOR HAAR: No.

SENATOR SULLIVAN: Okay. Anybody? Thank you for your testimony.

KORINNE TANDE: Thank you. Thank you for your time.

SENATOR SULLIVAN: Welcome.

THOMAS PERLINSKI: (Exhibit 18) Good afternoon. I'm Tom Perlinski, I'm a secondary principal at Bayard High School. I want to thank the committee for this opportunity. And like many of my colleagues, I wanted to talk in favor of the DL. I'm going to deviate from what you have in front of there a little bit, you know. Some of the questions that come up about DL is: Is this innovative? Would your funding or would your program end if the funding went away? So I'm going to answer those I guess first. For our school and our students, I do believe it is innovative. It allows us to give our kids the opportunity that

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many schools give all of their kids. We can differentiate instruction with one student getting...you know, for example, we get the History of the American West from Banner County with one student on an iPad in a classroom. I think that differentiation of instruction, available through DL, is innovative. It allows us to personalize the instruction for that student who wants to go on to become a social science major in college. So that's an opportunity that she has through DL. The other question then is, would this program go away if the funding wasn't there? For us, no. You know, it's an integral part of our school. We currently offer nine courses to our students available only through DL. We, for example, are not a large enough school to have a full-time business teacher, but this allows us to offer business courses to our students. I've been at Bayard for four years. In those four years, we've had one year where we could not hire a Spanish teacher. They were not available. And so to get that foreign language component, the only way we could do that was through DL. Okay? We have offered art and a number of courses. It is also...we have nobody on staff...we have 20 people on staff. We share 6 of those with our elementary and 1 of those staff members with a neighboring district. So we work hard to try and leverage our resources the best we can. We want the best opportunities for our students. We don't have a single person on staff that can teach dual-credit or AP courses. Yet, I have a number of students this year who are going to be able to graduate with six to nine credit hours because of DL. And so is that innovative in the sense that it's brand new? No, but it's innovative where our students get that opportunity to differentiate that instruction and be unique to that student. We also have worked very hard to make that where we don't have to sit six kids in a classroom. We put them on an iPad and they learn not only through DL but they also learn the technology of using that device and using the tablet and using the innovative technology through that DL course in a blended type of classroom. So it is very important for our school to be able to meet the needs of all of our students to have that funding continue. And one of our core covenants at Bayard High School is "every student every day." And distance learning is one way that we can meet the needs of all of our students through that differentiation. Despite our small size, despite our rural location, despite our curricular limitations, we can meet those needs. And so I would ask

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the committee to help our school meet the needs of all of our students by continuing that funding. Okay.

SENATOR SULLIVAN: Thank you...

TOM PERLINSKI: Thank you.

SENATOR SULLIVAN: ...very much for your testimony. So the classes that your students are taking, dual enrollment and AP, where...

THOMAS PERLINSKI: Uh-huh. Ours are all dual enrollment, yes.

SENATOR SULLIVAN: All dual and no AP?

THOMAS PERLINSKI: Right, no AP.

SENATOR SULLIVAN: And where are they from? Do you know?

TOM PERLINSKI: We get the dual enroll...we get three courses from Banner County, from Mrs. Sides that you've already talked to. We also get medical terminology from Crawford. And the other one escapes me. Oh, we get college comp also from Banner County, so.

SENATOR SULLIVAN: Okay. All right. Thank you. Any other questions for him? Thank you for your testimony.

THOMAS PERLINSKI: Thank you.

SENATOR SULLIVAN: Welcome.

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CARRIE URBAN: Good afternoon. My name is Carrie Urban, C-a-r-r-i-e U-r-b-a-n, and I am speaking on behalf of DL classes. I actually took distance learning classes in high school. So I want you to think back to when you were in school. When planning classes for the next year, did you sometimes think to yourself you wish there was more classes that you could take without just giving the option of taking the class as an independent study? Do you want students to get the best, well-rounded education possible? You don't want them to be limited by the classes that the school can just provide. Through incentives that are offered to schools, many students across Nebraska are given the opportunity to receive different classes beyond what the school can just offer. Schools offer independent study classes, but students learn better when they can ask immediate questions to a teacher. With the opportunities my school provided with DL classes, I received a better one-on-one education. In addition to receiving one-on-one attention, I also completed my college education early. When I took my college algebra course, our math teacher could teach the class but was not confident in the content. With the opportunity to take it over DL, I received this class from an engaged and qualified teacher. Right now I am currently a family and consumer science teacher, which is known as FCS, at Doniphan-Trumbull. FCS classes are definitely taking advantage of this opportunity of DL classes. In our department, some schools have to cut the FCS program due to financial reasons. The schools that have to cut the program will ask other elective teachers to teach that elective area, which puts a lot of pressure on elective teachers who did not go to school in that content to teach that content adequately. If there was a school that did cut the FCS program but still wanted to provide these essential classes, Distance learning classes help provide FCS classes to schools all over Nebraska. When thinking about the demographics of Nebraska, it is made up of many small rural schools. If you grew up in a small rural area, you know that your resources are limited. My classmates and many students all over Nebraska don't have to have restricted DL resources if DL classes are an option. With the help of schools receiving incentive money they, were able to keep equipment up to date as well as be able to select any course without the worry to have to budget for dollars to reimburse the school and the teacher's salary and benefits. I had...we have DL classes

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at Doniphan-Trumbull and the teacher gave me a quote. His quote is: In an ever-changing, twenty-first century world, we are beginning to realize the importance of globalization. Due to increase in technology advances, we are better able to connect with people than we previously were able to in the past. We make connections for a variety of reasons, like social and job networking, but most importantly we connect for the pursuit of educational knowledge. This is a noble dream that should be held in the highest regard. We are no longer limited to our own building and our own teachers. We can outsource our learning and be educated (by) experts in their field. For this reason, distance learning classes has created a limitless environment for learning. Nebraska's education wants to provide a well-rounded education for students. Using lottery funds to continue funding DL classes would be very beneficial for Nebraska students.

SENATOR SULLIVAN: Thank you for your testimony, Carrie. Any questions? All right, thank you.

CARRIE URBAN: Thanks.

SENATOR SULLIVAN: Welcome.

MANDI ADAMS: (Exhibit 19) Hi. Good afternoon, Chairwoman Sullivan and members of the Education Committee. I want to thank you for the opportunity to talk about the Nebraska Opportunity Grant, continuing funding the Nebraska Opportunity Grant with lottery funds, and how it's made a difference for me. My name is Mandi Adams, M-a-n-d-i A-d-a-m-s, and I'm a 30-year-old single mom, raised right here in Nebraska. My daughter is six years old and she's in the first grade, also here in Lincoln. Currently, I'm enrolled at Kaplan University earning an associate's degree in nursing. I'm about halfway through my college education, in term four out of seven. I have 300 days left, I just found out today, and I'll be graduating in September. After graduating with my associate's degree, I plan to continue on towards earning a bachelor's degree in nursing. When I first met with Kaplan University in August, I was excited to finally be

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pursing a degree in nursing. For me that meant in less than two years' time I would be graduating and I would finally be Mandi Adams, RN. That was a goal that I've held for almost ten years. It felt great to be at a place in my life where I was stable, a place where I could confidently begin earning an education that would make a huge difference for my family...for my daughter, Zoey. One of my first stops was to financial aid to work out the particulars of paying for my education. They were extremely helpful in discussing my options and helping me make informed decisions. I discovered that the total amount of loans I qualified for in my first academic year wouldn't cover the total cost of tuition and I would need to make monthly payments to take care of the balance. Determined to find a way to make it work, I enrolled. In the coming months, I discovered just how difficult it would be to be a single mother, a full-time student, and hold down a full-time job. I needed full-time hours at work in order to support my family and make my monthly payment. That wasn't part of my original plan for going back to school. I knew that nursing school would take up the majority of my time and had anticipated working only part time in order to keep everything balanced. If I was careful with my budget, my daughter, Zoey, and I could make it work with less income. After all, in the long run, the sacrifices would be so worth the stability that having a degree can provide. But now I found myself having to find extra time every week to work. That meant paying for more childcare, which ultimately meant I had to work even more hours to cover that cost too. It seemed like an endless cycle. For a while, I did make it work. Eventually, I felt overwhelmed and burned out. My grades were slipping to Cs. I even withdrew from two classes. My performance at work was suffering. Most importantly, I was missing time with Zoey and felt like I couldn't tell if I was coming or going. Because of Nebraska Opportunity Grant, things in my life have changed and I no longer have to make that payment. I've always wanted Zoey to see me as a role model. And having a respectable job where I make a difference helping people as a nurse is an example I'd like her to have. The Nebraska Opportunity Grant has helped to keep me on track. I'm continuing through nursing school and my grades are back up to a level I am proud of. My GPA for the previous term was actually 3.54--we just ended a term--and will be even stronger next term. I'm working a little less than part time as a work study and making ends meet

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at home. As a work study, I have the freedom in my schedule to fit my work around my school hours. With the help of Nebraska Opportunity Grant and that more flexible schedule, Zoey and I get to spend a couple of evenings and most weekends together at home doing whatever silly six-year-olds like to do. And best of all, I get to keep working towards being Mandi Adams, RN. Thank you for your time today.

SENATOR SULLIVAN: Thank you, Mandi. So how many semesters have you received the Nebraska Opportunity Grant?

MANDI ADAMS: The way I understand my financial aid--it's very complicated--is that the Nebraska Opportunity Grant was given to me over three terms, or one academic year, in the amount of about \$800.

SENATOR SULLIVAN: Okay. All right, very good. Any other questions? Thank you for your testimony.

MANDI ADAMS: Thank you.

SENATOR SULLIVAN: Welcome.

NICOLE EVERINGHAM: (Exhibit 20) Good afternoon. Chairwoman Sullivan and members of the Education Committee, my name is Nicole Everingham, N-i-c-o-l-e E-v-e-r-i-n-g-h-a-m, and I am here today representing Collective for Youth in Omaha, Nebraska. Collective for Youth is an intermediary organization focused on supporting high-quality, extended learning opportunities for students during the out-of-school-time hours. Last year Collective for Youth worked with 60 program providers to provide high-quality programs. We are proud that collectively we served over 8,000 students with extended learning opportunities in school-based settings. These opportunities are at no charge to our students or their families. Even though we served thousands of students, there are still many more students to serve. Many programs have waiting lists

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and the "Nebraska After 3" study--which you have in your hands--lists that there are over 81,000 students right here in Nebraska who aren't attending after-school programs, but they would attend them if they were available to them. Collective for Youth has worked hard to build their after-school programs with a commitment to quality, including school-community partnerships with an infrastructure in place to ensure the extended learning opportunities are meaningful and engaging. We recognize that this committee has learned about the benefit and the importance of early childhood education. Many resources and funding opportunities have gone to support stronger development of early childhood programs. Collective for Youth feels that extended learning opportunities can be the hand-off for what early childhood programs do for students when their students go to school. Extended learning opportunities provided in an after-school setting are critical to all students. The research is clear that high-quality, extended learning opportunities provided after school not only keep children safe and parents working but also help to close the achievement gap for low-income students and support the development of critical thinking and social skills needed for long-term success in the workplace and in life. I am here today to encourage you to consider increasing the state financial support of extended learning opportunities during the after-school hours. Our program providers cannot be expected to continue to sustain these high-quality programs and serve low-income children without additional support from the state of Nebraska. The state should begin to plan immediately for sustainable long-term funding of expanded learning opportunities, building on the investment in early childhood and the 21st Century Community Learning Centers fund, so that over the next decade programs become available for all families and children who want to participate.

SENATOR SULLIVAN: Thank you, Nicole. Any questions for her?

SENATOR HAAR: Yes.

SENATOR SULLIVAN: Senator Haar.

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SENATOR HAAR: Yes. Are you connected at all with the program Jeff is talking about?

NICOLE EVERINGHAM: Yeah, we are. We actually have 29 sites in Omaha of the 108 sites that are here in Nebraska that receive Community Learning Center funds. We participate in Beyond the Bells (sic) opportunities as well.

SENATOR HAAR: Good, thank you.

NICOLE EVERINGHAM: Yep.

SENATOR SULLIVAN: Thank you for your testimony. Hello.

ELISHA LEWIS: (Exhibit 21) Good afternoon, Chairwoman Sullivan and members of the Education Committee. My name is Elisha Lewis. That's E-l-i-s-h-a L-e-w-i-s. I am standing before you today to share a little about myself, where I come from, my accomplishments, and my thoughts about the Nebraska Opportunity Grant. I am a Nebraska native, born and raised in Omaha. I come from a family that was not fed with a silver spoon, but I always had the ambition to do better and be better than what I was surrounded by. I grew up in a family that had an idea of what the American dream could be, but never actually took the steps needed to accomplish it. I took that initiative and began writing my blueprint to get an idea on how to start my foundation. My blueprint started with acknowledging that I will be making history for my family by going to college and being the first to graduate. I also began to think about poverty and the fact that I did not want to become a statistic. And furthermore, I had a passion for caring for others and being successful in the healthcare and that would be a perfect long-term goal for me. I began to lay down my foundation. I graduated with honors in 2008 from Northwest High School, but soon after ran into some challenges. However, I finally decided to get back...to get on the right track. I just graduated with an associate's degree in medical assisting at Kaplan University. While attending Kaplan, I completed my externship at

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Midwest Allergy and Asthma Clinic where I was later hired on. My foundation is looking great but I'm still under construction. I will continue to build by furthering my education towards obtaining my bachelor's in health and science. Furthermore, there have been people along the way that have been a major help in my success. My family, parents, husband, and daughter have been my motivation. But I also want to thank the Nebraska Coordinating Commission for the Nebraska State Grant. I have received over \$1,000 in grants to help pay for school. I am absolutely appreciative of the opportunity the grant provides for me. Life comes with barriers and it's a blessing to have a grant that will help toward my success. I am sure other students feel the same and do not take this opportunity for granted. I would like to thank you for your service as you play a major role in my life story. Thank you for your time allowing me to express my gratitude. Thank you.

SENATOR SULLIVAN: Thank you, Ms. Lewis, for your testimony. Any questions?
Senator Scheer.

SENATOR SCHEER: Yeah. Thank you, Elisha, for coming today...

ELISHA LEWIS: Thank you.

SENATOR SCHEER: And a wonderful success story...

ELISHA LEWIS: Yes.

SENATOR SCHEER: ...but I'm intrigued. In your comments you said that the idea of the American dream could be but the family never took the steps to accomplish it. I thought that was really an interesting comment. Could you sort of expand on that?

ELISHA LEWIS: Yes. Well, honestly, a lot of people in my family got pregnant at an early age. So then of course that comes along with more responsibility. And coming

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from a family that was not, you know, had much means of...you know, to make it to college by their own funds, they just didn't take that initiative. And of course there are funds for this one example...is an example to help me get there. And my family did not do that. So when I say they had an idea of the American dream, like no one wants to live, you know, at their lowest means or in poverty or anything in that manner. So when I said the American dream, that's what I really meant, like having that successful future.

SENATOR SCHEER: Sure. Okay. Thank you so much for sharing today.

ELISHA LEWIS: Thank you.

SENATOR SULLIVAN: Thank you again for your testimony.

ELISHA LEWIS: Thank you.

SENATOR SULLIVAN: Welcome.

KURTH BRASHEAR: (Exhibit 22) Thank you, Chairperson Sullivan, members of the committee. My name is Kurth Brashear, K-u-r-t-h B-r-a-s-h-e-a-r, a resident of Seward, Nebraska. I appear before you today on behalf of Concordia University. Thank you for holding this hearing on the use of lottery funds to benefit education. This is an important conversation and one which we are pleased to provide some thoughts on. We appreciate and support the committee's vision of every Nebraskan educated for success. From early childhood programs to classroom technology, the committee has heard and will hear about many desirable ways to pursue this vision. As to the use of lottery proceeds, we believe that the sunset provisions of LB497 counter rather than further your vision for education for success. By eliminating the transfer of lottery proceeds to the Nebraska Opportunity Grant fund after June 30, 2016, the state of Nebraska will make it more difficult for low-income Nebraskans to pursue their postsecondary education by removing approximately 60 percent of the funding for this

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vital program with no guarantee of replacement General Fund allocation. This change is coming at a time when Nebraska already trails our neighbors in terms of state-provided, need-based financial aid, topping only Kansas and South Dakota. Others testifying today have shared various statistics and facts, but we have two we would call your attention to. For 2012-13, 55,931 Nebraskans were eligible for Nebraska Opportunity Grant awards, while only 15,757 were funded and awarded, leaving over 40,000 of our fellow Nebraskans who qualified but for whom awards were not available. Starting in 2016, these numbers will only be exacerbated if the General Fund appropriation isn't increased or the lottery funds are restored. For 2012-13, Nebraska Opportunity Grant recipients accessed all sectors of our postsecondary education system, from 6 percent attending our state colleges to 41 percent attending our community colleges. In fact, 19 percent attended Concordia and our sister independent institutions. The flexibility of the Opportunity Grant and its use across postsecondary education is a strength, preparing Nebraskans for all levels of the work force. The Opportunity Grant program benefits our fellow Nebraskans who are most in need of financial aid so that they can succeed through education. It allows them to choose the best path for them, including at our state's excellent independent colleges and universities. Yet, at a time when the need has increased, Nebraska will be making postsecondary education more difficult to attain for students like Mandi and Elisha. As the committee considers the use of lottery proceeds to educate for success, we would respectfully submit that it must not overlook how we as a state can help those for whom postsecondary education seems to be an unattainable dream and help it become their hopeful reality. Restoring lottery proceeds to the grant fund is one way that the Legislature can further this worthy goal. May I finish? And we would encourage the committee to recommend that step. I'll be glad to answer any questions you have. Thank you.

SENATOR SULLIVAN: Thank you, Mr. Brashear. Any questions for him? All right. Thank you for your comments.

KURTH BRASHEAR: Thank you.

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SENATOR SULLIVAN: Welcome.

MIKE BAUMGARTNER: (Exhibit 23) Senator Sullivan, members of the committee, thank you. My name is Mike Baumgartner, M-i-k-e B-a-u-m-g-a-r-t-n-e-r. I'm the executive director of the Coordinating Commission for Postsecondary Education. And I'm trailing a number of comments already made about the grant program, so I will try to not belabor points that have already been made. The Coordinating Commission administers the Nebraska Opportunity Grant program. And in 2013-2014, the Commission awarded \$16.5 million to almost 16,000 students. The average award was \$1,030. While we were able to give awards to almost 16,000 students, 40,000 other Nebraskans qualified but did not receive awards due to limited funding. In 2013-2014, the Opportunity Grant fund consisted of \$9.8 million in lottery revenue and \$6.7 million in General Fund appropriations. While lottery funding has increased between \$300,000 and \$1.5 million each year since 2007, General Fund appropriations for the Opportunity Grant have been flat during that period. So the only increase during that period has come from the lottery portion of the funding. And even with that increase over that time, Nebraska still ranks 33rd in the country in the amount of need-based time...need-based aid per full-time undergraduate student. If the Coordinating Commission had distributed Opportunity Grants in 2013-14 without its current level of lottery funding, some 9,700 of the 15,944 recipients would not have received grants. Put another way, without the lottery funding, only about 11 percent of eligible students--that would be about 6,230 of 56,000 eligible students--would have received grants. And as you've heard today from many of those needy students, that can be the difference between staying in college or not. This isn't just a barrier for individual students however. Failure to develop individual potential will negatively affect Nebraska collectively. While median household income in Nebraska has fared well compared to the national average, it has still declined in real terms from 1999-01 to 2011-13. In addition and as a result of that, the proportion of PreK-12 students currently receiving free and reduced priced lunches has been on the rise over that period and is currently 45 percent. The need for financial aid will grow as

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these students continue into postsecondary education. Long term for Nebraska, without significant progress toward ending the achievement gap, demographic change will result in stagnation in educational achievement, right now at about 42 percent, as the more highly educated, generally white Nebraskans retire and are replaced by Hispanic and African-American Nebraskans who have generally not attained the same level of education and tend to be poor and in more need of grant aid. So over the coming years, we've got to increase and take care of those students who are coming with less resources. We support the state's decision to periodically evaluate how it distributes lottery revenue, but we hope that evaluation results in continuation of significant lottery funding for the Opportunity Grant as we're concerned about the state's ability or willingness to replace what is currently about \$9.8 million in funding with General Fund appropriations over time. Thank you.

SENATOR SULLIVAN: Thank you, Mike. The Coordinating Commission is truly in the trenches, so to speak, because they administer the Nebraska Opportunity Grant. So my question is, what--short of continuing to fund it--what do you think we could do to improve it or make it better?

MIKE BAUMGARTNER: I think it's hard to think about improvements without at least maintaining and probably increasing, given that the award averages about \$1,000, which once you start getting below that very far, it doesn't have the same impact on students. So one thing that has already been mentioned is to expand it a little bit more. Right now, we're at 110 percent of the maximum expected family contribution, so we go above what the Pell Grant would do. Another thing that might make it more effective, but I would strongly discourage doing without additional funding, is looking at ways to deliver it and help students go more full time. Again, in order to do that, in order to reduce the amount of work that students have to undertake or the amount of loans and get them to full time because we know the full-time students are more likely to complete their degrees...and the longer they're working, the longer they're in school, the more they have to borrow, the more danger there is of not completing, so looking at ways to

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encourage students to go more full time would be, I think, an improvement to the program. However, given the source of the funding and the potential for the cut of funding, I'd hesitate to do that, even though it would make the program more effective probably, just because it would eliminate funding for even more students, so that's some of it.

SENATOR SULLIVAN: Okay. All right. Very good. Any other questions? Senator Haar.

SENATOR HAAR: Yes. You say here that 15,944 students got this. More than 40,000 other Nebraska students qualified. What part of those actually applied for those grants and didn't get them? Do you know?

MIKE BAUMGARTNER: What part...well, there would have been about 56,000 eligible students who had filled out the FAFSA and met the criteria that they were Nebraska residents, that they were undergraduates, they were attending a Nebraska institution. So then...so we have...

SENATOR HAAR: So actually there were 40,000 more that did apply for it but didn't get it.

MIKE BAUMGARTNER: Yeah, and the application is simply the FAFSA. So it's not like they filled out a separate form for Nebraska. Whenever they turn in their financial aid form to the federal government, that comes to our office so that we are aware that they're eligible for the aid and the aid will go to the institutions based on a formula. The institutions will distribute it to students based upon the way they think that they're meeting the best needs for their students, so.

SENATOR HAAR: Okay.

SENATOR SULLIVAN: Senator Scheer.

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SENATOR SCHEER: Mike, I know you're the new kid on the block and you get to wear that badge for a while, but...

MIKE BAUMGARTNER: A little bit longer. (Laughter) Not much.

SENATOR SCHEER: Looking at the information, why would there be such huge differences in percentage of participation or of acceptance of scholarships by different legislative districts?

MIKE BAUMGARTNER: Yeah, that's an interesting piece that we noticed whenever we looked at it. We hadn't looked at the analysis this way before because there is no county, district...there's no geographical requirement for it. And it will depend in part on the institutions the students went to. So whenever the aid is distributed, it's based on FTE of the eligible students times the tuition and fees at their school capped at a certain amount divided by the entire portion of funds that are available from the state. So each institution will get a proportion of that based on the proportion of eligible students, and they will make a determination about what the student gets. So if you've got students that are going to one of the institutions that has a little bit higher average award--for instance, the University of Nebraska average award in 2013-14 was \$1,918, and the community college, it was \$413--part of that is because the tuition was lower and because a lot of the students went to the University of Nebraska and because they looked at the financial aid package, as their financial aid director here said earlier, and how can we make the best package available to keep these students in school going full time. So the geographic distribution really doesn't...it looks funny. And it's interesting, but there's no way to fix that based on where students are going. I don't want to...it's not even...it's not a question of being fixed. The students are going where they're going based upon the enrollment of that institution, the eligible students, and it just looks kind of strange.

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SENATOR SCHEER: So what you're really telling me, there's no rhyme or reason why it happened but we wasted a half a page of paper in letting us know that...

MIKE BAUMGARTNER: Well...

SENATOR SCHEER: ...it's there, but we can't do anything about it.

MIKE BAUMGARTNER: Well, you can do something about it. (Laughter)

SENATOR SCHEER: Well, not technically we can't.

MIKE BAUMGARTNER: We could fund every student.

SENATOR SCHEER: Well, I think we both know that, although a possibility, is highly improbable.

MIKE BAUMGARTNER: I think it's a good...I don't think it's a waste. I think it's a good example of the impact on students statewide. It's not just students in Lincoln. It's not just students in Omaha. It's in everybody's district.

SENATOR SCHEER: Absolutely. But you can look at one district and perhaps 90 percent of those students receive scholarships. And you can go to several other and less than 20 percent...

MIKE BAUMGARTNER: Yeah.

SENATOR SCHEER: So it would make it...if we're going to be honest, it's sort of making it look like some district, either their senator or somebody, does a heck of a lot better job than others, where in true essence it's really where the kids are going to school...

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MIKE BAUMGARTNER: Right.

SENATOR SCHEER: ...and the tuition based on the school, not having anything to do with the legislative district.

MIKE BAUMGARTNER: That's right.

SENATOR SCHEER: Would that be a fair assessment?

MIKE BAUMGARTNER: It is.

SENATOR SCHEER: Okay.

MIKE BAUMGARTNER: And point well taken.

SENATOR SULLIVAN: Okay. Any other questions? Thank you for your testimony. Welcome.

JOHN THOMSEN: (Exhibit 24) Good afternoon. My name is John Thomsen. I'm the executive director for the Nebraska Association for the Gifted, J-o-h-n T-h-o-m-s-e-n. Good afternoon, Senators. These comments today are one of support for funding of high-ability students in Nebraska. These comments represent over 400 members of the Nebraska Association for the Gifted. The Nebraska Association for the Gifted is a nonprofit in Nebraska, serving Nebraska since 1957. The volunteer board of directors are educators, parents from across the state. The organization is one that advocates for the needs of gifted and talented high-ability students in Nebraska. The need for providing financial support dedicated to Nebraska's most able students is important to the nation, the state, school districts, students, and the peers of gifted students. The gifted or high-ability students of Nebraska will be some of those individuals that will

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tackle the nation's most difficult problems. The need to keep qualified, high-achieving students in Nebraska is essential to maintaining a quality work force for economic well-being and development. School districts that identify and provide enhanced services that will lead in the state while demonstrating enhanced test scores...students that are part of these enhanced services often will be leaders in their classroom and contribute to the climate of the school. You've met several of those today. As a public school teacher for 32 years, I'd like to put a face to some of those students that these funds in effect...affect. Some of the benefits that I've witnessed as a result of the school district's high-ability student program have included: One, teachers are motivated and allowed to be different. By different, I mean teachers had the support of the administration to compact curriculum, work to meet the needs of individual students. One example I can give to you is Evan (phonetic) and Joe (phonetic). They're both 14. They're in 8th grade. They were allowed to test out of parts of their science curriculum after demonstrating mastery. Evan and Joe, at the aid of their 8th grade science teachers, parents, and the high-ability specialist, enrolled Evan and Joe at UNL as part of an on-line undergraduate class in entomology. Joe earned an A, and Evan earned a B. The ripple effect of Joe and Evan was evident when their peers wanted to do the same. Opportunities outside of the regular classroom can be enhanced and targeted to the interest and needs of students. One example, I'd like to suggest to you, is Marcy (phonetic). Marcy is a sixth-grade student. She's from a Title I school. She's the major caregiver of two younger siblings in a single-parent household. Marcy aspired to be a home caregiver to young children after high school. Her school's gifted program was part of the Peter Kiewit Institute Techademy. Female students were invited to spend the day at the college of information, science, and technology. Marcy met an undergraduate female student that was working on an app that would track the insurance benefits of low-income children and provide better, more appropriate, and cheaper service. After Marcy's day at UNO she said, I still care about children; however, I can do a greater good for more kids if I become an app creator. Marcy would not have had this experience without her school district's providing a high-ability specialist that knew Marcy, knew how to involve Marcy in high-level thinking, and the budget for the bus to

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get Marcy to UNO. Underachieving gifted students can be provided a unique and challenging, engaging experience in and out of school. One example is Tyree (phonetic). Tyree is in a rural school in Nebraska. Tyree gets Cs for grades, sometimes less. Tyree's IQ is two standard deviations to the right of the norm. Tyree is about...is told about a summer program at Hastings College called the Nebraska Scholars Academy. Tyree is invited to apply because of his test scores, not because of his grades. At the Nebraska Scholars Academy he is with 130 high-achieving students given a college-like experience in areas of study that he has interest in and is challenged by peers around him. They're as capable as he is. Tyree's grades improve when he gets back to the school. Tyree has this experience because his school district has set aside funds for matching grants to send students to summer program. His counselor learns about the Hastings program because she attends conferences that specializes in the needs of high-ability students. There are many examples of programs provided for high ability students as a result of HAL funding. I've provided to you a comparative study of six other states. I appreciate your time and energy listening to me today in knowing that there are a cadre of dedicated parents and educators working to achieve equity for high-ability students in our state. I'll be happy to answer any questions that you may have.

SENATOR SULLIVAN: Thank you, John. Appreciate your testimony. Any questions for him? Thank you very much.

JOHN THOMSEN: Thank you.

SENATOR SULLIVAN: Welcome.

DEANNA MOISSET: Good afternoon. Good afternoon, Senator Sullivan and committee members. My name is Deanna Moisset, D-e-a-n-n-a M-o-i-s-s-e-t, and I've been serving public education with the Omaha Public Schools as a teacher and an administrator for 19 years. And I also serve currently as a board member for the Nebraska Association

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for the Gifted. So, I'll just piggyback on what John Thomsen had to say. One of the myths regarding our gifted and talented students is that gifted students don't need help; they'll do fine on their own. And I think we've seen examples throughout the afternoon that that isn't always necessarily the case. My one anecdotal story is one of our facilitators this year was working with a student who is, while at school, a selective mute. For the last four school years she has not spoken a word to a student or a teacher. And working with her gifted facilitator has really sparked an interest for her. And when it came to robotics, the facilitator said, honey, if you're going to do this, you've got to do this in a group and I need you to start talking. So the girl had to think about it and the next day she came back and she said--said aloud--I'm in, and has started to work with her teachers and speaking. And that all started with the gifted facilitator. On another note, I'm here on behalf of our underrepresented populations. Our office for civil rights, we've seen, has had a growing concern and view and look at gifted and talented populations, and how we serve blacks and Hispanics. And I think it is very important for the state of Nebraska to take that into consideration as they continue to provide high ability learner funds so we can provide that supervision and advocacy for students and families that cannot afford enrichment and be advocates for themselves. A lot of times we provide ACT testing for middle-school students that normally would not be able to do that through Duke TIP. That costs \$80. We provide summer programming for students that is a summer camp where at UNO you can pay \$150, and we are able to do that with our high-ability learner funds. So I just want to say that I wanted to support the continuation of our HAL funds so that we can support our underrepresented groups before...those underrepresented groups, particularly our blacks and Hispanics, do not become underrepresented, or continue to be underrepresented in gifted education. Thank you.

SENATOR SULLIVAN: Thank you, Deanna. So with respect to what you just said, a student tests to be determined whether they're in the gifted program, right?

DEANNA MOISSET: Not necessarily.

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SENATOR SULLIVAN: Okay.

DEANNA MOISSET: There are multiple identification factors.

SENATOR SULLIVAN: I see. All right.

DEANNA MOISSET: So it's not just test based. It can be teacher recommendation based as well.

SENATOR SULLIVAN: I see. Okay. All right. So in that capacity then you can reach out to some of the underrepresented audiences. Okay. Any other questions? Okay. Thank you.

DEANNA MOISSET: Thank you.

SENATOR SULLIVAN: Welcome.

BRIAN HALSTEAD: Welcome, Senator Sullivan, members of the Education Committee. My name is Brian Halstead, B-r-i-a-n H-a-l-s-t-e-a-d. I'm with the Nebraska Department of Education. I'm here on this hearing about the future uses of lottery and what I'm going to talk about primarily is the past. Back in 2011, I know that Senator Sullivan was on this Education Committee, along with Senator Haar, and Senator Scheer was on the State Board of Education when the Legislature had to deal with cuts to the education funding of the state of Nebraska. And this committee at that time, under Senator Adams and the members, made a wise decision of not eliminating high-ability learner funding or Early Childhood Education Grant funds, but instead shifting them to lottery funds in order to meet the state budget needs at that time. Since that time, the economy in Nebraska has picked back up and the State Board of Education believes it is time for high-ability learners and for the Early Childhood Education Grant funds to be returned to General

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Funds and no longer utilize the lottery funds that were needed to keep those alive. As such, the Department began working on the next biennium budget request last January. We had to have the budget issues developed by late June to go to the state board in August, and for the state board to approve the budget that was submitted to the Governor on September 15. Every one of the lottery issues, every one of the lottery funding streams that was supposed to continue beyond your deadline, we wrote budget issues for those all to be funded out of the General Fund. As to what the Governor will do with those, we don't know. It will be up to the Governor-elect to do that. But I think you clearly heard some very good testimony as to the need for the funding for the high-ability learners. There's a budget issue for that. We may need your support to make sure that that occurs in General Fund. If not, it is something you should consider in lottery; the same for early childhood. With that, I'd end my testimony and take any questions you might have.

SENATOR SULLIVAN: Thank you, Brian. So just to clarify, so the two currently funded items in lottery that you have put in your budget request are the early childhood and the high-ability learners.

BRIAN HALSTEAD: Actually, right now, the high-ability learner program is a budget issue to be funded out of General Funds after the lottery funds end, as you're dealing with. The same thing is true with the Early Childhood Education Grant funds, the four-year-old, and also the Early Childhood funds that go to the Sixpence program, as is funding for the Department of Education for the military compact which we joined in 2012. That's only \$10,000. There is also a budget issue in there for "e-learning" that takes the distance ed funding stream and promotes it into doing extended learning opportunities beyond what's currently being done at this point. All of those are just budget issues. There's no guarantee they will show up in the Governor's budget. There's no guarantee if they do show up in the Governor's budget that the Appropriations Committee will continue them. So in the sense of I wanted everyone to know that we were thinking ahead--as far back as when you were in the last session

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just trying to deal with the issues then--as to what the next biennium budget that doesn't start for another nine months should have presented for that. So all of the current lottery ones that were not set to expire by their own, like the ACT pilot project, there's not a budget issue for that. There is not a budget issue for the current incentive funds for reorganization. You've decided that's a two-year program. That is fine in that regard. Those don't have budget issues for them.

SENATOR SULLIVAN: Okay. All right. Thank you. Thank you for your testimony. Anyone else wishing to testify? All right. Well, thank you all for your participation and your input. We appreciate it. This now closes the hearing on LB497. (See also Exhibits 25, 26, 27, 28)