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Education Committee
January 25, 2016

[LB691 LB752 LB906 LB930]

The Committee on Education met at 1:30 p.m. on Monday, January 25, 2016, in Room 1525 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB691, LB752, LB906 and LB930. Senators present: Kate Sullivan, Chairperson; Rick Kolowski, Vice Chairperson; Roy Baker; Mike Groene; Bob Krist; Adam Morfeld; Patty Pansing Brooks; and David Schnoor. Senators absent: None.

SENATOR SULLIVAN: This is the Education Committee. I'm Senator Kate Sullivan, Chair of the Committee, I represent District 41, I live in Cedar Rapids, Nebraska. We have a couple members of our committee who are still in another committee or Executive Session, but we will go ahead and allow the senators who are here to introduce themselves. I'll start with the vice chair of the committee.

SENATOR KOLOWSKI: Good afternoon. Rick Kolowski, from District 31 in southwest Omaha. Thank you.

SENATOR SCHNOOR: Senator Dave Schnoor, represent District 15, which is Dodge County.

SENATOR BAKER: Senator Roy Baker, District 30, Gage County, part of Lancaster County.

SENATOR KRIST: Bob Krist, District 10.

SENATOR GROENE: Senator Mike Groene, Lincoln County, District 42.

SENATOR SULLIVAN: Thank you, senators. And as I said, we'll have the other two senators joining us shortly, because one of them is the introducer of the first bill. So if he's not here by the time I'm done with sort of the housekeeping rules, we'll have to stand at ease until he arrives. We have two pages helping us today...oh, well, first of all, the other people who help us run this committee correctly. To my immediate left is LaMont Rainey, who is one of the legal counsels for the Education Committee. And to my far right is Mandy Mizerski, who is the committee clerk, and she makes sure that the hearing is adequately recorded. We also have two pages helping us today: Brook Cammarata, from Omaha, she's a student at UNL, majoring in advertising and political science; and Annie Himes, also from Omaha...again, a student at UNL, majoring in Russian, global studies, and history. As far as the rules of the road, so to speak, if you're planning to testify, please pick up a green sign-in sheet that's on the table at either entrance to the room. If you do not wish to testify, but would like your name entered into the official record as being present at the hearing, there is a separate form to do that as well.

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Regarding the green sheet, please fill it out in its entirety. Please print. And when you come up to testify, hand that to Mandy. If you have handouts, please make sure you have 12 copies for the pages to hand out to the committee. And when you do testify, we ask that you please speak clearly into the microphone, tell us your name, and spell both your first and last names. Again, so that we have an adequate record. Perhaps I don't need to say this, but I just need to remind you to please turn off all cellphones, pagers, or anything that makes noise, because we want to give our full attention to the testifiers. The introducers, the senators introducing the bill, will make the initial statements, followed by proponents, then opponents, and then those wishing to testify in a neutral capacity. Closing remarks are reserved for the introducing senator only. We have been using the light system for all testifiers. So you will have...this excludes the introducer. But for all others, you will have five minutes to make your initial remarks. When you see the yellow light come on, it means you have a minute left, and when the red light is on, you need to wrap up your remarks. So in spite of the weather, I'm really glad to see everyone here today to testify, and looking forward to hearing on the four bills that we have before us: LB691, LB752, LB906, and LB930. So without further ado, we will welcome Senator Morfeld, and begin the hearing on LB691. Welcome, senator.

SENATOR MORFELD: Thank you, Senator Sullivan. Sorry if I was a little late.

SENATOR SULLIVAN: That's all right. [LB691]

SENATOR MORFELD: I was in Exec Session. Senator Sullivan, members of the Education Committee, my name is Adam Morfeld, for the record that's A-d-a-m M-o-r-f-e-l-d, representing the "fighting" 46th Legislative District, here today to introduce LB691. LB691 addresses a critical work force need in the state, and would create a grant program for Nebraska students in teacher education and healthcare profession programs, attending Nebraska public or private nonprofit colleges or universities. This is a more of a narrow approach that I am taking for relieving some of the student loan debt and some of the financial aid burden on students in Nebraska, for critical work force needs. As the bill is drafted, resident students with financial need who are enrolled either in a teacher education or health profession bachelor's program, at a public or private nonprofit college or university, would be eligible to receive a grant. The money is allocated to the colleges based on the number of bachelor's and master's degrees awarded in the respective programs in the preceding year. Two funds are created, one for teacher education, and one for health professions education. I picked these two different fields because they are high-need fields in both urban and rural areas. The amount available for grants available for each college or university is determined by dividing the number of degrees at each institution by the total number of degrees awarded statewide, which is then multiplied by the state appropriation, which is yet to be determined. The Coordinating Commission for Postsecondary Education would administer the program in cooperation with colleges and universities, much like they do with the Nebraska Opportunity Grants right now, and would act as agents for the commission--

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the colleges and universities, anyway. I'm also pleased that there is a performance-based allocation process in this bill. The money is allocated, not based on enrollment, but rather on degrees completed. While enrollment is important, this bill gives institutions incentives to make sure that students not only enroll, but that they actually graduate in these programs. I continue to be concerned about the level of debt that our students incur while attending college, and I told people on the campaign trail that I have 140,000 reasons why I am concerned about student debts personally. I'm also concerned that students may choose majors and careers not by where their passions lie, but where the income they can expect to make after they graduate to pay for their student loans. We need talented teachers and healthcare workers if our state is to continue to prosper. If we succeed by encouraging prospective teachers and nurses to follow their passions, by alleviating some of their debt concerns, we will have done a great service to the citizens of Nebraska. I'm sure that there are others that will follow and comment on their opinions on the details of the proposal. I urge your favorable consideration of this bill, and would be happy to answer any questions that you may have. Thank you. [LB691]

SENATOR SULLIVAN: Thank you, Senator Morfeld, for introducing. [LB691]

SENATOR MORFELD: (Exhibits 1, 2, 3) And actually, I have a few different handouts here, too. That breaks down how many degrees there are from different institutions--public, private--and some other information. [LB691]

SENATOR SULLIVAN: You said in your opening remarks some of your reasoning behind identifying these two careers, but that's one of the other...you know, in this process of prioritization, and you look at the needs, one could also say well, we have a dearth of openings in ag education and industrial arts, that someways keep young people in rural Nebraska. I mean, how do we prioritize, and how do we think that one profession is more important than the other? [LB691]

SENATOR MORFELD: Yeah, that's tough. And I think that, you know, if you talk to 10 different people in the state, you might get 10 different answers, or you might get 2 or you might get 3. I think that we need to start somewhere. And for me, I looked at professions, particularly the education field, where there's a high need, but there's not a lot of prospect of making a lot of money. And degree, in terms of the health care profession field, I just know that that's a critical...from traveling the state and talking to people, I just know that that's a critical need. And that was one that rose to the top for me. You know, in an ideal world, we would have a much larger amount of funding for need-based aid, and we wouldn't have to pick and choose degree fields. But I don't see a huge stomach in this body for doubling the Nebraska Opportunity Grant Program, unfortunately. Even though, I would support something like that. [LB691]

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SENATOR SULLIVAN: And to that end, is there some overlap with the Nebraska Opportunity Grants, and is there some clarification that conceivably a student could get both the NOG grant, as well as a grant through this program? [LB691]

SENATOR MORFELD: Personally, I wouldn't be bothered by a student that is eligible for both getting both. That being said, if there's concerns with that, I'm certainly open to an amendment. [LB691]

SENATOR SULLIVAN: The way your bill is drafted, you don't identify any dollar amount to go into this grant program, nor where it would come from. [LB691]

SENATOR MORFELD: What I'm looking at right now is a direct appropriation from the state, but that's a discussion that I wanted to have with the committee and with the Appropriations Committee--Senator Mello included, of course, about the amount of funding that we would allocate to it. That being said, I know that there's a lot of priorities this session and a lot of differing and competing priorities. [LB691]

SENATOR SULLIVAN: All right. Any other questions for Senator...Senator Groene. [LB691]

SENATOR GROENE: Thank you, Chair. On the teacher side of it, we already got the grant fund with the lottery money. Then on the federal side, if you stay in education, after so many years part of your federal loans get forgiven. I've seen LPS's payroll is up to \$80,000 after being 16 years, you've got a redefined benefit package, you've got unbelievable health insurance. This isn't 1980 anymore. It isn't a low-paid occupation compared to somebody who goes into the loan officer at a bank, or working at an insurance agency, or going into management and agriculture training. I'm trying...I just got a problem with why we pick winners and losers by occupation. What makes...how did you decide these two, Senator? [LB691]

SENATOR MORFELD: Well, I have a lot of friends that are teachers, Senator. And while after 16 years in any profession you might be making \$80,000 or \$86,000, I'm not concerned about the people that are 16 years into their profession. I'm concerned about the ones that are starting at the mid \$30,000s... [LB691]

SENATOR GROENE: In Lincoln it's over \$40,000 getting paid... [LB691]

SENATOR MORFELD: Okay. Well, I'll have to hear from Lincoln Public Schools. I have a good friend of mine who I saw their paycheck and it wasn't in the \$40,000s that they started at. So I would agree to disagree on that. [LB691]

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SENATOR GROENE: Well, I'm sure I got the pay scale in my office, I'll drop it by. [LB691]

SENATOR MORFELD: And so, you know, for me, these are high-need fields, that's why I'm picking. And they're fields that oftentimes do not start out at \$80,000...and they may end, in 16 years, at \$80,000. Personally, I think after 16 years of teaching, you should be making \$80,000 a year, and I hope that you are. Because I value having high-quality teachers. If the committee would like to do a bulk appropriation and simply...or would support a bulk appropriation, and make it so that it spreads across all different fields, I'm certainly in support of that too. But in talking with many members of the Legislature, I don't see a real stomach for that type of increase in expanding the Nebraska Opportunity Grant. So my purpose here is to target certain fields that many people...maybe you don't, Senator Groene, and I respect that, feel as though our tough fields to fill in this state, both in urban and rural areas, and be able to provide some assistance accordingly. [LB691]

SENATOR GROENE: Thank you. [LB691]

SENATOR MORFELD: Yep. [LB691]

SENATOR SULLIVAN: Senator Schnoor. [LB691]

SENATOR SCHNOOR: Senator Morfeld, you talked...I guess I have three questions. You talked about financial needs, those that are in financial need. Is there a determining factor in place already for those that are in...what determines financial need? [LB691]

SENATOR MORFELD: Yeah, it's need-based. And so I don't actually have the exact number, but yeah, it's based off the parent's income and then the student's income if they have any. Oftentimes, these students are coming right out of high school, so there's really not any income. So they based it on the parent's ability to pay, which I would note too, that for some...some parents are willing to, you know, pay their kid's way, if they have the money. Some parent's who have money aren't willing to pay their way, too, so sometimes it's not always a great demonstration of what the student needs. But that's neither here nor there. There is actually some factors, and maybe some people behind me can talk about this... [LB691]

SENATOR SCHNOOR: But that's already...because you said financial needs, but that's already in place? [LB691]

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SENATOR MORFELD: Yeah. And there's a process by which the commission does that from the Nebraska Opportunity Grants, with the colleges, I believe. And I think that they will be speaking behind me. [LB691]

SENATOR SCHNOOR: And so was your intent to use that same formulation? [LB691]

SENATOR MORFELD: That is my intent. I think it's outlined in there, but that is my intent. [LB691]

SENATOR SCHNOOR: Okay, that's fine. Secondly, you talked about performance-based. Could you expand on that a little bit further? [LB691]

SENATOR MORFELD: Yeah, so you know, there's a lot of colleges...there's some colleges, I shouldn't say a lot, but there are some colleges that enroll a lot of students, but they never actually complete their degrees. And so I want there to be an incentive for colleges to really make sure that students are graduating both early and they actually graduate. So we're not just giving grand funding to students who at colleges disproportionately don't graduate from their programs, because there are some colleges that do better than others in terms of degree completion. So that's the performance-based, is we want colleges to be encouraged and to have incentives to work really hard to graduate students. Because one of the biggest problems with student loan debt defaults are oftentimes students that never complete their degrees, and then they have all this student loan debt. They are the ones that are most likely to default, because they are not receiving the benefit of even that small education they received, because they don't have their degree. [LB691]

SENATOR SCHNOOR: So with this performance-based, do then they get the grant after completion? [LB691]

SENATOR MORFELD: Well, what happens is the year before, or two years before...and again, I think the commission can comment on this, what would happen is they would see how many degrees were completed the year before, then they would base the allocation on that. [LB691]

SENATOR SCHNOOR: Okay. [LB691]

SENATOR MORFELD: And so there would be a year or two lag time. [LB691]

SENATOR SCHNOOR: Okay. So that...but that performance-based, that's the accountability factor for all? [LB691]

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SENATOR MORFELD: That's the accountability that educational institutions should be dedicated to making sure their students are successful and graduate from the program. [LB691]

SENATOR SCHNOOR: Okay. And then my last question, you talked about narrowing down into two professions, teacher and healthcare profession. Now it could be determined or interpreted that the healthcare profession is in fact pretty wide. I mean, you're talking RNs, LPNs, CNAs, med techs... [LB691]

SENATOR MORFELD: Bachelor programs. [LB691]

SENATOR SCHNOOR: But it's all bachelor programs? [LB691]

SENATOR MORFELD: Yep, bachelor programs. [LB691]

SENATOR SCHNOOR: Is that what you said? Okay, so there's doctorate degrees or anything...this does not fall into that at all? [LB691]

SENATOR MORFELD: No, it has to be bachelor programs, unless I'm missing something. That was my intent. [LB691]

SENATOR SULLIVAN: Okay. All right, thank you. [LB691]

SENATOR MORFELD: Thank you, Senator. [LB691]

SENATOR CRAWFORD: Senator Kolowski. [LB691]

SENATOR KOLOWSKI: Thank you, Madam Chair. Senator Morfeld, on the...thank you for bringing this forward. I think you talked about the accountability for...in the second question that Senator Schnoor had, as far as the outcomes that you're looking for. And let me ask from the money flow aspect. Would that only go back to the school at the end of their completion of the degree work, and they would put that in their general fund in order to use scholarships for students as they're going through programs? Or does it come on a yearly basis to help them with their qualification and...I'm trying to get the flow of the money. Could you elaborate on that, please? [LB691]

SENATOR MORFELD: My understanding is that it would...the way that we want it to work is similar to the Nebraska Opportunity Grant, in that the number of degrees that were completed

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the year before would be identified, and then what would happen is the institution would receive that amount of funding based on some criteria, and all that based on need-based data all that, and then the money would then be distributed by the institute. But I believe the commission is behind me and would be able to answer that question. [LB691]

SENATOR KOLOWSKI: Thank you. And I have to run to another... [LB691]

SENATOR SULLIVAN: Senator Pansing Brooks. [LB691]

SENATOR MORFELD: Thank you, Senator. [LB691]

SENATOR PANSING BROOKS: Thank you, Senator Morfeld. And thank you, Chairman Sullivan. I'm just trying to check. So is this similar to NOG, where the money follows the student, or does it stay at the institution? [LB691]

SENATOR MORFELD: I believe it's...we based it off of NOG, so it should be money follows the student. [LB691]

SENATOR PANSING BROOKS: Okay. Because it seems like it says if the...I thought is says somewhere that if the student leaves, then the money goes back to the institution. And are private schools included in this? [LB691]

SENATOR MORFELD: Yes, it is. [LB691]

SENATOR PANSING BROOKS: So by not following the institution...I'm just trying to figure...if it doesn't follow the student, if a student goes to a private school and then decides to transfer to a public school, that money would not go with that student? [LB691]

SENATOR MORFELD: I would need to look a little bit into that. I believe it would follow the student, but that's certainly a question that we can have answered. [LB691]

SENATOR PANSING BROOKS: Okay, I'll ask. [LB691]

SENATOR MORFELD: Thank you. [LB691]

SENATOR PANSING BROOKS: Thank you. [LB691]

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SENATOR SULLIVAN: Any other questions for the senator? Okay. [LB691]

SENATOR MORFELD: Thank you. [LB691]

SENATOR SULLIVAN: We'll now hear proponent testimony for LB691. Welcome. [LB691]

MIKE BAUMGARTNER: Thank you, Madam Chairwoman. 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 think that I will be able to answer your NOG questions. If not, I have somebody here who can, but I believe I can handle them. We want to thank Senator Morfeld for his continued efforts to address affordability issues that we face in postsecondary education. Any bill that attempts to ease the financial strain that students are feeling is worthy of your consideration. State financial assistance targeted to particular students in high-need occupations, particularly health and education fields, is quite common. At least 11 states have similar teacher education programs, and 16 have loan forgiveness programs for teachers--including Nebraska, and at least 11 states have loan assumption or forgiveness programs for healthcare professionals serving and/or graduates. However, unlike most of those other occupational programs, these two programs in LB691 are specifically targeted toward low-income students, hence our strong support for that. In a way, this is similar to the gap tuition bill that the Legislature passed last year, and created a program specifically for community college students in noncredit programs in high-need areas. And it's also similar to the extension to career academy students in the ACE Program. The Coordinating Commission administers multiple financial aid programs, including Nebraska Opportunity Grant, which is the state's only need-based program for college students. Nearly 16,000 students received one of these grants in 2014, 2105, however, financial need remains very high. Roughly 30,000 students who qualified for the grants did not receive them due to lack of funds. So we are here to support this bill because it targets specific occupations, and more specifically, because it eases the financial strain on students and targets affordability efforts. And with that, I'd be happy to try to answer any questions. [LB691]

SENATOR SULLIVAN: Thank you, Dr. Baumgartner. So just to clarify, because I think sometimes there is some confusion as to how the money flows, in the case of the Nebraska Opportunity Grants, from the state coffers through an institution to the student who needs it. Can you kind of clarify that process? [LB691]

MIKE BAUMGARTNER: Yeah. The money is distributed to institutions based on a formula, based on the number of needy students they have at their college. Then, within the college or university, there are students who are identified as eligible based on their family's financial wherewithal to pay for college. And the college selects the number of students who will receive

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that grant and the aid that they will receive, up to a certain amount. They can't exceed half tuition at the University of Nebraska-Lincoln, for example. That would be the maximum award. So the college chooses the students, but the students have to be eligible. If a student drops out during the semester, the refund goes back to the college to give to another student who is eligible. If they have run out of students who are eligible, the money would come back to the commission at the end of the year. And Ritchie Morrow, our financial officer, goes out every year to audit each one of the colleges and universities, to make sure that the students who have received it were eligible, and that everybody either received and used, or returned funds that they had received. [LB691]

SENATOR SULLIVAN: And what happens if the student transfers from one institution to another, be it private or public or whatever? [LB691]

MIKE BAUMGARTNER: Money doesn't follow the student, because the money goes initially to the institution. And if that student is eligible at the next institution that he or she attends, and the college chooses them based on the amount of aid they have available, the number of students in need, that student may receive a Nebraska Opportunity Grant or they may not. [LB691]

SENATOR SULLIVAN: Okay. [LB691]

MIKE BAUMGARTNER: It's different from a Pell Grant. [LB691]

SENATOR SULLIVAN: Thank you. Senator Krist. [LB691]

SENATOR KRIST: Are you familiar with the chart that was handed out? Senator Morfeld's chart? [LB691]

MIKE BAUMGARTNER: I haven't seen it, but I probably have a pretty good idea of what it has on it. [LB691]

SENATOR KRIST: I was wondering, Senator Morfeld, do you have an extra of these that you might...okay. If I could get the page to get the doctor a copy of the two handouts, please, because my questions are directly related to those. So on the first one that I will refer to, information from college scorecard, undergraduates only... [LB691]

MIKE BAUMGARTNER: Yes. [LB691]

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SENATOR KRIST: These are pretty generic questions, but I'm just trying to understand the chart. Percentage receiving loans...what kind of loans are included in that column. [LB691]

MIKE BAUMGARTNER: If it's from the college scorecard, it is only federal loans. Federal direct student loans. [LB691]

SENATOR KRIST: Okay, so we're...Pell... [LB691]

MIKE BAUMGARTNER: The loans that a student, who is eligible based either for a subsidized or unsubsidized loan from the federal government, would get would not include PLUS loans, which are loans the parents, and would not include private loans. This would just be federal loans. [LB691]

SENATOR KRIST: Okay. And the average debt of graduates, does that column or those numbers concern you, in terms of cost of tuition versus debt incurred by an individual student? [LB691]

MIKE BAUMGARTNER: Well, the numbers do concern me, which is why we support more need-based aid. Insofar as if your question is about...in respect to the proportion of tuition, whenever financial aid is packaged, they look at the cost of attendance, which includes not only tuition and fees, but also the room and board, depending on whether the student is on campus or off campus. And so you're usually looking at over \$20,000 in a cost of attendance. Not always, but usually. And so even if you apply the maximum Pell Grant and some state grants, you usually end up with \$10,000 that needs to be covered. [LB691]

SENATOR KRIST: So does that column, as you read it, average debt of graduates at the end of their education? [LB691]

MIKE BAUMGARTNER: Yes. At the end of their undergraduate education. [LB691]

SENATOR KRIST: And again, we had hearings in this committee last week, that this chart is really concerning to me. Because when I look at the amount of tuition, cost of room, board, books at some of these institutions on the right-hand side, it's a disproportionate amount of debt as I see it. A very expensive institution, you would assume, would have a higher level of debt, and the inverse is applied here. While an institution that is less expensive seems to have at least competitive rates of debt, which tells me that potentially, we're not counselling the students to prepare themselves for the level of debt that they will have at the end of the day. [LB691]

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MIKE BAUMGARTNER: I think that we do need to do a better job of preparing students for the level of debt. Students need to choose the institution that best fits their interest, that they can also afford, and understand what it's going to cost them when they get out. [LB691]

SENATOR KRIST: So I'm going to infer one more thing, and then let you comment with it. And that is cart, horse. We got to start out at some place preparing a student for the level of debt they might have, then when they get to that point, we need to help alleviate some of that debt to allow them to get on with life. So can you comment with that? [LB691]

MIKE BAUMGARTNER: Well, with a scholarship program like this, or a grant program, we can alleviate debt on the front end, because whatever grant money they get, going toward their cost of attendance, they won't need to borrow. For low-income students, that's particularly important, because many are debt averse and won't continue their education if they take a look at that cost of attendance after a Pell Grant is applied, and say I still have to come up with \$15,000. There's no way I can do that, or even \$10,000. So I've been putting... [LB691]

SENATOR KRIST: Okay. Excellent point. Good point. And then my last question, I'm sorry, Madam Chair, I won't monopolize this. But the last question is did you weigh in to these two categories of emphasis on students? [LB691]

MIKE BAUMGARTNER: No, we did not. [LB691]

SENATOR KRIST: All right, thank you. [LB691]

SENATOR SULLIVAN: Senator Groene. [LB691]

SENATOR GROENE: A few years back I heard the president of the university at an appropriations chair say there was 6,000 students that he was proud paid nothing, between Pell Grants and the Opportunity Grant. Do you know what that number is now? For their education... [LB691]

MIKE BAUMGARTNER: If they were at a community college, living at home... [LB691]

SENATOR GROENE: This was the president of UNL. [LB691]

MIKE BAUMGARTNER: UNL? I don't know. [LB691]

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SENATOR GROENE: The number stuck in my mind was 6,000, between Pell Grants and our Opportunity Grants filled in the backside. There was 6,000 that were basically tuition free and... [LB691]

MIKE BAUMGARTNER: They could be tuition free, but they wouldn't be cost of attendance free, because a Pell Grant doesn't...because those two together would not cover the full cost of attendance of a student living on campus. But that's actually...I would have to defer to the university for that. [LB691]

SENATOR GROENE: It says here: UNL, 40 percent, \$22,500; UNO...could one infer that those were middle class students that didn't get any aid now and were taking the loans out? [LB691]

MIKE BAUMGARTNER: Not from these two figures you can't. [LB691]

SENATOR GROENE: But most of the middle class kids I know that don't get any aid, they're taking student loans. [LB691]

MIKE BAUMGARTNER: They... [LB691]

SENATOR GROENE: This program wouldn't help them? [LB691]

MIKE BAUMGARTNER: It would...no, probably not, because of the financial-need requirement. [LB691]

SENATOR GROENE: Are you familiar with the federal program for teaching and public service, that after so many years you start getting your federal student loans forgiven? [LB691]

MIKE BAUMGARTNER: Somewhat. [LB691]

SENATOR GROENE: Do you know what that program is? I'm not sure of the guidelines, it was...it's not that many years, and you start getting your loans forgiven. [LB691]

MIKE BAUMGARTNER: I need to get back to you on that. I am somewhat familiar with it, but not that level of detail. [LB691]

SENATOR GROENE: Thank you. [LB691]

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SENATOR SULLIVAN: Senator Pansing Brooks. [LB691]

SENATOR PANSING BROOKS: Thank you, Madam Chair. Okay, I guess I just need a little clarification, because I thought you were saying that it is the same as NOG, basically. Is that right? But I was understanding that with NOG, the Nebraska Opportunity Grants, that it follows the student. [LB691]

MIKE BAUMGARTNER: No, NOG doesn't follow the student. Pell follows the student. A student who gets Pell at one place will get Pell at another place. A Nebraska student who begins at Creighton University and transfers to Hastings College would...they're not entitled to that money. That's not the way the program works, so that would not follow them. [LB691]

SENATOR PANSING BROOKS: It was my understanding that that is true. [LB691]

MIKE BAUMGARTNER: No. [LB691]

SENATOR PANSING BROOKS: Okay. So I just...I'm interested in the whole idea of...we sent our kids to private school, so I'm a big believer in those, but I also believe that with the limited dollars that we have in this state, it's very difficult to...I mean, my kids didn't get any money from where they went to school, at their private schools. And I'm just interested in your theory of paying for public and private education. Do we have enough dollars to spread over the entire state and all the institutions. I'm interested in your opinion. [LB691]

MIKE BAUMGARTNER: We could improve affordability for all students with more money and need-based aid. I think the state has a good strategy of funding its public institutions well, and giving a lower tuition option. I think that's very important, I think Nebraska stands out for standing by that. I do think that one of the primary shortcomings, and I don't think there are many shortcomings in our system, I do think that we don't have enough financial aid for low-income students. And they can go to any one of the institutions, I think choice is important for students. Not simply access, but choice, to the extent that the state will pay for it. And I would like to see Nebraska pay more for that, but I would also like to see them maintain their strong tradition of supporting public institutions. [LB691]

SENATOR PANSING BROOKS: Do you feel that this takes away from the state's funding of public education and university public education? [LB691]

MIKE BAUMGARTNER: Well, at some point, everything is zero sum. No, it doesn't have to, but it could, depending on other choices that the Legislature and the Governor made. [LB691]

SENATOR PANSING BROOKS: Okay. Thank you very much for testifying. [LB691]

SENATOR SULLIVAN: Senator Schnoor. [LB691]

SENATOR SCHNOOR: Senator Pansing Brooks talked about money following the student or versus following the...I guess, the institution. I don't know if that's the right word or not. But what...is there pros and cons to one way versus the other? Because it seems like it would be...a program like this would be much more sellable if it's going to follow the student. Because if a student is in the middle of a program here and he transfers to another school, you know, during the middle of the semester...and I know that happens. If this money were to follow him, it just would be better for those that are already in need. So is there...I guess my question is what are the pros and cons of either one, and what does that do for this program? [LB691]

MIKE BAUMGARTNER: The pros of following the student means that the student has more certainty wherever they go, and that is an important consideration. There are states that do that. One of the benefits of a decentralized system like we have, is that schools are able to package funding to students who show extraordinary need from one time to another. It's a small program--\$16 million is a small program. It doesn't sound small, but it is. It averages \$1,000 a student. If you were to do it any other way, and we have 45,000, lets say, eligible students, then you will end up like other states, saying first come first serve. When you do first come first serve, a lot of students who make up their mind late, like students who go to community colleges, adult students, students who didn't think that they were going to college or they couldn't, they will have applied too late and they'll never get an award. And that is a common problem with places that make it an entitlement. But if you don't have enough money to say everybody's going to get \$1,000, then I think that we're better off doing (inaudible). [LB691]

SENATOR SCHNOOR: But isn't this first come first serve anyway? [LB691]

MIKE BAUMGARTNER: No, because it goes to the institution. The institution will look at the package that the students have, and they may do it first come first serve, or they might say I know that we're able to give you this scholarship and we're able also to give you a state scholarship to get you over the hump that you need to borrow no more than the \$5,500 that you might be eligible for as a freshman. Or they might say well, this student qualified for a resident scholarship, this is a student with high-need who isn't going to get that because we don't have enough for that, and we're going to be able to put some of the state money into that student. It gives them an opportunity to try to make their dollars go farther, whereas if they had to do completely first come first serve, and they got \$100,000 and they had 1,500 students who are eligible. Again, you're going to end up with a lot of students who they might have been able to tip a balance one way or other, who aren't going to be able to attend because they'll have to find a

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less affordable option because their hands were tied by the way the state administered the program. [LB691]

SENATOR SCHNOOR: So then the institution determines of who qualifies for this grant and who does not? [LB691]

MIKE BAUMGARTNER: They...the qualification is one thing, receiving it is another. Qualification, they have to not exceed 10 percent...the highest expected family income, expected family contribution for a Pell Grant student, plus 10 percent, which is about \$5,700. So they have to qualify for that, they have to be an undergraduate, they have to be a Nebraska resident. Beyond that, then the college will say we want to spread this money thin, so we want to give an many people as we can \$500. Or we need to focus this year on 200 students, we're going to give them all \$2,000. [LB691]

SENATOR SCHNOOR: Okay. If an institution...if I'm understanding this correct, they're going to get so much money appropriated to them for this grant. Do I have that... [LB691]

MIKE BAUMGARTNER: It will be allocated to...for this bill, it will be allocated to them based upon their proportion of the degrees in the two fields. [LB691]

SENATOR SCHNOOR: Okay. What happens then if they don't use all that money? [LB691]

MIKE BAUMGARTNER: It will come back to the state. [LB691]

SENATOR SCHNOOR: Okay. [LB691]

MIKE BAUMGARTNER: The way the bill's written. [LB691]

SENATOR SCHNOOR: Okay. [LB691]

SENATOR SULLIVAN: Any other questions? Thank you for your testimony. Welcome. [LB691]

WILLIAM MOTZER: Good afternoon. Senator Sullivan, members of the Education Committee, my name is William Motzer, W-i-l-l-i-a-m M-o-t-z-e-r, I'm vice president of enrollment at Nebraska Wesleyan University. I'm here to present the remarks of president Fred Ohles, who is attending unfortunately a funeral in your district, Madam, in favor of LB691. So if you'll allow

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me to read President Ohles' remarks. Nebraska Wesleyan University is a liberal arts institution, which means we embrace the broad goals of teaching a liberal education. This does not mean liberal in the political context, but rather a liberal education in terms of the breadth of learning that empowers individuals and prepares them to deal with complexity, diversity, and change. It provides students with a broad knowledge of the wider world, such as science, culture, and society, as well as the in depth study in a specific area of interest. With regard to LB691, Nebraska Wesleyan offers both the bachelor's degrees in education, as well as a master's in education, as well as an undergraduate bachelor's degree in nursing, and master's in various levels of education in nursing as well. We believe the tools we provide our students: intellectual curiosity, critical thinking, creative and artistic expression, respect for history and traditional values, independent analysis and effective communication are essential for them to succeed in today's economy. LB691 is a good starting point for determining the best manner in which to utilize state resources for higher education. You're starting with the presumption that teachers and healthcare professionals are integral to the future well-being of the state. Indeed, expansion of growth in the state, the attraction of corporations in terms of business growth, will be predicated largely on the attractiveness of the education that we can offer their employees, as well as the healthcare that they'll offer their employees. We know the students and families of modest means are concerned about taking on high amounts of student debt. We want our best and brightest graduates teaching our young students or people, and caring for our sick and injured. This bill would provide grants for students who have financial need, so that they wouldn't have to borrow as much. The state of Nebraska should be proud of its ability of the students to service debt. The national average is about 14 percent in students defaulting on federal loans. Proud that Nebraska Wesleyan University's debt service is 1.6 percent. And comparatively throughout the state of Nebraska, we have similar or low default on student loan debt, which is an important consideration. The focusing on incentives for college and universities is to keep their students on the path to graduation, by allocating these funds and to keep them focused on their degrees. Award in the previous year of their respective college and university is an important context for this. We always read in the newspapers each fall about the number of students that have enrolled at a particular campus. While enrolling in college is the first step to success, it is graduating with a credential or degree that is the most important step. Private colleges and universities are partners with the four-year public sectors in providing quality educational opportunities for all Nebraskans. This bill focuses on future teachers, future healthcare professionals--Nebraska Wesleyan provides graduates who are prepared to deal with complexity, diversity, and change, which I know you would agree are attributes we need for Nebraska's future success. Please support LB691. And I'm happy to answer any questions or entertain any questions you may have. [LB691]

SENATOR SULLIVAN: Thank you, Mr. Motzer. What's been the trend in enrollment and placement in students in teacher education at Wesleyan? [LB691]

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WILLIAM MOTZER: We are expanding our teacher education program this fall. Actually, this summer in June, we'll launch a master of education that focuses on resiliency in the classroom and not administration, so it is intended to enhance the skills of our teachers who are confronting growing, diverse classrooms. And so this is an important characteristic, so the focus of our program. At the undergraduate level, we had our largest class in 50 years at Nebraska Wesleyan last year. And we continue to attract a very strong core of students who aspire to teach in Nebraska, many of whom aspire to return to parts of rural Nebraska, and teach in their communities from where they came. Last spring we had 24 graduates, all of whom had teaching offers at the time of graduation. So we're pleased with that success as well. [LB691]

SENATOR SULLIVAN: Do you know if there are shortage areas within the teaching field? [LB691]

WILLIAM MOTZER: Yes indeed. Certainly, I know that...my colleagues will speak to some of the distribution, and specifically can address the needs in the state by district. And so that data is available. Certainly it encompasses both inner city, as well as rural environments, and so those are areas where we can also aspire to serve. [LB691]

SENATOR SULLIVAN: Okay, very good. Any questions for Mr. Motzer? Senator Groene. [LB691]

SENATOR GROENE: Thank you, Chairman. Did you support Senator Kolterman and Nordquist's bill last year, where they created a similar fund but for all students, no matter what the field of study? [LB691]

WILLIAM MOTZER: Unfortunately, I'm relatively new to Nebraska. And I've spent the last 22 years in the Chicago area, and so I kind of came here just last August. And so I can't speak to that particular issue. [LB691]

SENATOR GROENE: Do you...on incomes coming out of school, we have a problem with criminal justice, very little pay. And I know you have that field in your four-year degree. Are you concerned that we can't fill our state prison payroll? Their average pay is maybe \$25,000, \$30,000 at the most...that they're not included in this? How about social workers? They're paid a lot less at the state level than a starting teacher or a nurse. I'm just curious why these two occupations trumped those needed occupations in our public service. [LB691]

WILLIAM MOTZER: Well, I certainly...I'll go back to my initial remark in that I believe these are two core areas that do have such a significant impact on the economic growth of the state.

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And there are many needs, I would hope that through greater productivity, greater enhancement of high school graduates that could be impacted by the strength of this bill, that we would be able to grow as a state and be able to provide other needs that we have. But this one will address specifically one area. [LB691]

SENATOR GROENE: Thank you. [LB691]

SENATOR SULLIVAN: Any other questions? Thank you for your testimony. [LB691]

WILLIAM MOTZER: Thank you. [LB691]

SENATOR SULLIVAN: Welcome. [LB691]

JODI KUPPER: Good afternoon, Chair Sullivan and members of the Education Committee. I'm Jodi Kupper, J-o-d-i K-u-p-p-e-r, and I'm vice chancellor for academic planning and partnerships with the Nebraska State College System. I'm here today to testify in support of LB691, which creates the Teacher Education Healthcare Profession Student Grant Program Act. As the chancellor of the NSCS often says, we are colleges of opportunity. We are open enrollment institutions and we provide opportunities to many students who may not otherwise be able to afford a college education, are geographically place-bound, and/or may not be able to succeed without the strong support services and individualized attention we provide. Nearly 40 percent of our undergraduate students qualify and receive Pell Grants. Of our fall 2015 entering freshman class, approximately 50 percent reported that they represent the first generation of their families to attend college. The Nebraska State Colleges have this long and rich history of preparing educators who in turn serve as PK-12 teachers across the state of Nebraska. The three colleges also offer a number of healthcare profession degree programs for individuals who wish to serve in this critical area. The creation of the Teacher Education and Healthcare Profession Student Grant Program Act would provide students in these programs with a much needed resource to support their educational goals. Even with all federal awards and loans, as well as state assistance, provided to our students, there is still a significant amount of unmet financial need, based on the students and/or their family's ability to provide financial support for their college education. That unmet need at the NSCS was over \$6 million last year. This shows the critical need for even more support to assure that students who desire to attend our college are given that opportunity. The NSCS supports LB691 and the creation of the Teacher Education and Healthcare Profession Student Grant Program Act. Thank you for the opportunity to testify. [LB691]

SENATOR SULLIVAN: Thank you, Dr. Kupper. Any questions for her? Thank you for your testimony. [LB691]

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JODI KUPPER: Thank you. [LB691]

SENATOR SULLIVAN: Welcome. [LB691]

SCOTT SEEVERS: Thank you and good afternoon. Chairperson Sullivan and members of the committee, my name is Scott Seevers, that's S-c-o-t-t S-e-e-v-e-r-s. I serve as senior vice president for enrollment and marketing at Concordia University, and I appear before you today on its behalf, and as a supporter of LB691. I'm excited to advocate for LB691 for a number of reasons, but to put it simply, I think LB691 directs the right aid at the right Nebraskans, and helps address the right problem. And I think it does it in the right manner, I find it to be very encouraging. So first and foremost, I think a bill that focuses on students pursuing degrees in service professions that lift up others in the state--lift up other Nebraskans, is sorely needed and certainly wisely spent. As we've talked a little bit about the need to fill positions in teaching and in healthcare, and as school districts and healthcare organizations really struggle to fill their unmet staffing needs today, they are rightfully looking to new populations of Nebraskans to help them do that. So one example of a school district that Concordia works with is a school district that is having such a difficult time finding the right kind of folks to fill their positions, that they have taken a very creative, innovative approach to saying, well, we're not going to go to the traditional...or we're not going to rely solely on the traditional undergraduate root, but rather we're going to take para educators who are working in our classrooms today in low-paying positions, and we're going to invest dollars and time to groom them for teaching positions and help them become certified teachers in our classrooms. Because they are people that have proven to us that they're dedicated to our area, they've proven to us that they're dedicated to our students, and we'd like to give them an opportunity to advance their career. Those sorts of things. And the same thing would apply to...you mentioned LPNs, who would like an opportunity, who are working in a low-paying position, but looking for an opportunity to go get a bachelor's degree and advance their career. This bill gives them a pathway that I think is really encouraging for the state. I also appreciate how LB691 addresses what I see is the right problem: financial burden and student loan debt. So again, for people that are traditional students or working adults who are looking to go on and get a bachelor's degree, the financial barriers are often enough to keep them out, and that's what limiting our ability to fill the positions that we need. So as I overhear conversations in the admissions office at Concordia from families, I can attest to the fact that there are students who have a passion and gift for teaching and for education that ultimately steer clear of it, because they are concerned about the initial compensation and the debt load. I think directing aid towards students in need is the right way to ease their fears and increase the numbers who choose to pursue and who choose to develop their gifts in these areas. And so finally, I appreciate how LB691 is addressing these challenges in the right manner. And by that I mean allocating aid to the colleges in proportion to the number of graduates in these areas that they're supplying to the marketplace seems like a fair and equitable way to do it. And by ultimately putting money into the hands of the students who can pursue their degree at any of our

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nonprofit, regionally accredited institutions in the state, be they public or private, provides more access to the full range of really quality higher education that we have in this state. And I think that frees students to pursue their degree in a setting that suits them best, and gives them ultimately the best chance of success. So I thank you for considering LB691, and for the opportunity to testify. And I would be pleased to answer any questions you might have. [LB691]

SENATOR SULLIVAN: Thank you, Dr. Seevers. You mentioned that you are working with schools who have para professionals, and encouraging them to go on and get a degree to advance themselves. Are those school districts just in your local area? [LB691]

SCOTT SEEVERS: No. Those school districts...I don't necessarily want to say where they are, but they are not just in our area. [LB691]

SENATOR SULLIVAN: Okay. All right, statewide in other words. Okay, thank you. Any other questions? Senator Pansing Brooks. [LB691]

SENATOR PANSING BROOKS: Thank you for coming to testify today, is it Dr. Seevers, I presume? [LB691]

SCOTT SEEVERS: Mr. Seevers. [LB691]

SENATOR PANSING BROOKS: Mr. Seevers, thank you. And Concordia is a private school, is that correct? So I think that you probably know that we are sort of charged with paying for public education, and part of that public education is the University of Nebraska, it's our K-12 funding. I guess I'm just interested in your perspective. Of course, Concordia's a private school, right? And the role you fill in our state is really important, and it's integral to the education providing opportunities for all different students, choosing different forms of being educated. And again, our children were educated at private institutions and I'm a believer in both. So I guess I'm just thinking about your perspective, when you know that we're charged with making sure that children are educated at public institutions. There is an exception, if the public institution cannot provide the state need, which would be...I guess the need here is to get more teachers. So do you believe that the university and the public institutions cannot provide the full need for teachers, and that it's important for you to add to that need? [LB691]

SCOTT SEEVERS: That's a good question. I think I would answer your question by saying that we have an unmet need right now, and that's not because the public institutions are not providing ample opportunity for students. I think my answer would be is that are we optimizing what we're doing within the state? So if I'm a student from a small town of 250 people in rural Nebraska, the

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University of Nebraska-Lincoln can look pretty intimidating. And sometimes a small private school, especially if my faith is important to me as a Nebraskan, a small private school in a small town feels comfortable, and it's a place where I can get a good education. And I can take that education, and if I feel comfortable teaching in a small town in western Nebraska, that can be a really positive thing. So I think we augment what is being offered by the public institutions of the state in an effective way that ultimately puts dollars in the pockets of Nebraskans, regardless of where they choose to go. [LB691]

SENATOR SULLIVAN: Senator Groene. [LB691]

SENATOR GROENE: Thank you. I'm a big fan of the private college, my granddaughter goes to Wesleyan. She's not in the teaching program or nursing. [LB691]

SCOTT SEEVERS: Now I know what's behind your questions now. [LB691]

SENATOR GROENE: But you have private foundations, don't you? Scholarship foundations that you have millions of dollars, probably, where somebody has donated money and says I was a nurse, it did me well, and I want to make sure somebody gets a scholarship for nursing or teaching. Do you not have that? [LB691]

SCOTT SEEVERS: We have endowments. The private institutions have endowments that would be paltry compared to what's available to students. And I would argue that the private schools, if our students are getting let's say \$1,000 in state money, we are putting out excellent graduates in healthcare professions and education at a bargain price for the state of Nebraska. [LB691]

SENATOR GROENE: No, I don't deny that. But I guess my...as a taxpayer, somebody wants to go to the private school and say I want to give money for scholarships for this occupation, that sounds fair to me. But do you believe the government, the state of Nebraska, should pick winners and losers on occupations, and help one over another? One student, the parent pays taxes and they go to accounting, or the next student goes into agronomy. Why should the state of Nebraska pick winners and losers on...that smells of social engineering to me, but I guess as a taxpayer...I would support this if it was for every student. That's my concern. What's your thoughts on the government picking which occupations we favor? [LB691]

SCOTT SEEVERS: In an ideal world, the government would pick winners and losers, and the winners would be all Nebraskans who need an education. Unfortunately, there are some financial restrictions that force us to limit it to people with the highest need. And because of even more financial restrictions, we're forced to choose which occupations get this initially. I wish it wasn't

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like that, and I wish we didn't have to pick and choose, but unless we want to distribute \$25 to everyone, we have to make some decisions. And I applaud the writers of this bill, who have just made the tough call to say we got to start somewhere. [LB691]

SENATOR GROENE: Is...are you familiar with any other state program that favors one occupation over another? [LB691]

SCOTT SEEVERS: I'm familiar with state...not that favors by occupation, but the surrounding states around Nebraska are across the board a little bit more generous with all students in their state than Nebraska has been. [LB691]

SENATOR GROENE: Thank you. [LB691]

SENATOR SULLIVAN: Senator Pansing Brooks. [LB691]

SENATOR PANSING BROOKS: Thank you. I'm sorry, I have one more question. [LB691]

SCOTT SEEVERS: Sure. [LB691]

SENATOR PANSING BROOKS: I just wondered, if it would follow the student, there would be chances that students would transfer from schools to your school and vice versa. Why wouldn't that necessarily be a wash? Are you in favor of having it follow the student? [LB691]

SCOTT SEEVERS: I think as long as the student gets the right amount of money. There are so many things that are different between institutions. I was thinking about this before and thinking if this is important to me. I think the way we have it is probably the right way to do it. So the analogy I was thinking about is if everybody...if all the students show up at Valentino's buffet, and they can load up their plates and then go wherever they want, go to whatever table they want, that could be okay, I guess. But I think it's better for them sit down at a table and have that institution make an assessment of getting to know those students a little bit more, and then saying okay, this guy hasn't eaten today, let's give him two pieces of pizza, let's give this guy one piece of pizza. And I think there's a little bit more control. And what I'd hate to see is that person who gets the two pieces of pizza then pick up and go to another school. I'd rather have him leave his pizza there, so they can re-figure it out with the students that are still sitting at the table. So I think the way that we have it designed is the right way, but I don't think it makes a whole lot of difference either way. [LB691]

SENATOR PANSING BROOKS: Thank you. [LB691]

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SENATOR SULLIVAN: Thank you, Mr. Seevers, for your testimony. Welcome. [LB691]

PAULA KOHLES: Thank you. Good afternoon, Madam Chair Sullivan and members of the Education Committee. My name is Paula Kohles, P-a-u-l-a K-o-h-l-e-s, and I'm the director of financial aid at Creighton University, and I'm here in support of LB691. Senator Morfeld, thank you for introducing LB691, and for being a champion of higher education and trying to limit the debt of Nebraska students. LB691 would be a tremendous benefit for the needy Nebraska students who are pursuing education and nursing degrees. Students in these fields, they're typically females, and they typically start with the oftentimes lower salaries. And so anything that we can do to reduce their debt as undergraduate students would certainly provide as a huge benefit to the state. It will also give these students the opportunity and maybe the incentive, if they have less debt as an undergrad, to possibly go on and pursue a graduate degree in education and be our outstanding teachers and outstanding nurses within our state. In the 2014-2015 school year, we graduated 88 students, between our undergraduate and graduate education programs, and we graduated over 400 undergraduate and graduate nursing students. These people many times are working here all across the state. With the on-line and distance education, we've got rural students that are taking graduate courses from wherever they're at. And this grant program would help those to say okay, as a graduate student I cannot get any financial aid that's going to be a grant, because grant funds are only for students who are pursuing that first undergraduate degree. So if I got less debt, then I can afford to do this. We have very high four-year graduation rate, here in the state of Nebraska, and we're very proud of that. And so we think the allocation, the formula the way you've got that, would be a good thing for our students. Another critical shortage down the line is in the state of Nebraska is the number of the need for nurses with advanced degrees. Many of our nursing faculty are getting closer to retirement, and a lot of the students that are pursuing these graduate degrees, if they are going into the clinical fields and not the higher education fields, due to the salaries. And so if we can continue to keep their debt down, maybe they will look at the opportunities within institutions to become faculty members. Because across the state of Nebraska that's becoming a huge shortage in the next few years, with our nursing faculties. LB691 would make a significant difference for our needy students in limiting the debt that they have, and the shortage in these high-need fields. So I hope that you will consider to support this bill. With that, I'm happy to answer questions you may have. [LB691]

SENATOR SULLIVAN: Thank you, Ms. Kohles. Any questions for her? Thank you for your testimony. [LB691]

PAULA KOHLES: Thank you. [LB691]

SENATOR SULLIVAN: Welcome. [LB691]

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JAY SEARS: (Exhibit 4) Thank you. Good afternoon, Madam Chair, members of the Education Committee. For the record, I'm Jay Sears, J-a-y S-e-a-r-s, and I represent the education members of the Nebraska State Education Association. And we're here in support of LB691 for the following reasons. Many school districts and communities in Nebraska are experiencing shortages in teachers and healthcare professionals. And the problem is not going away. Debt for college loans in the United States has been reported at over \$1.5 trillion, that's the t word, not the b word, and many students will struggle to pay back their student loans as the cost of college education continues to increase, while wages for teachers and healthcare professionals remain low, compared to other bachelor degree professions. LB691 would help alleviate the problem of shortages of teachers and healthcare professionals, and provide an opportunity for those who may not be able to afford a college education to avail themselves of the opportunity to obtain a four-year degree in the profession that is rewarding personally, and a benefit to our Nebraska communities. NSEA encourages the committee to vote LB691 out onto the floor, and so we can have some debate. Thank you for the opportunity to testify before you today. [LB691]

SENATOR SULLIVAN: Thank you, Mr. Sears. Any questions for him? Senator Pansing Brooks. [LB691]

SENATOR PANSING BROOKS: Thank you for coming in, Mr. Sears. Appreciate it. So are you saying that basically Nebraska and the other public institutions cannot fill the need that's currently out there for teachers and nurses right now. [LB691]

JAY SEARS: Here...if you go to the Department of Ed's annual survey of shortages in teacher positions. You'll find that one, the number of candidates entering teacher education is almost been cut in half in the last couple of years. And as you were looking at the educators who are my age and leaving the profession, there's going to be a gap in that process. And one of the issues that we're looking at is how do we get people interested in education, becoming teachers, and we do have some different statewide support programs in that process. But targeting the healthcare profession and the teaching profession for those low-income students, who might not even go to college, would be a benefit to us in the state, to have a four-year program be licensed as a teacher or a healthcare professional in one of the healthcare areas, just because there are gaps. I know the department's survey has shown that there are quite a few areas that are experiencing shortages, where they couldn't fill any position with a qualified person, or even push someone over from an endorsement to take the class. We're starting to experience that Pre-K, birth to age three, birth to grade three gap of early childhood educators in the process. And many of our students who might be interested in entering the education profession need some support in that process. So that's, you know...I'm not saying the 16 institutions can't supply that, but the numbers are going down, and if you ask many of our institutions, many of those students go to other states also. [LB691]

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SENATOR PANSING BROOKS: Okay. So is that a yes or no to can the university handle this issue? [LB691]

JAY SEARS: I don't know. I don't work for the university. [LB691]

SENATOR PANSING BROOKS: Okay, so you aren't sure whether they can or not. So you don't know if this is a state need that is unfulfilled by public institutions. [LB691]

JAY SEARS: Right. I don't have data for you. [LB691]

SENATOR PANSING BROOKS: Okay. And do you have a concern...I know that the NSEA and other public school groups had a big press conference just recently about the fact that the majority of Nebraskans are not in favor of vouchers and...I would sort of tab with that foundation aid. So I'm interested if you don't see a nexus between...if there's not a significant state need, as in the past we had cancer. There was a need for cancer education, and so the state gave money to both Creighton and the University of Nebraska Med School. So in this case, I see a nexus between vouchers and deciding that we want to give this to colleges, not necessarily to students. That's what worries me. [LB691]

JAY SEARS: Yeah. There's a fine line between direct aid that goes to universities, whether they're public or private, and to where the ultimate dollars flow to, which is to the student. So I think as you look at how this is structured, it's also structured much like the Nebraska Opportunity Grant, the aid that you talked about for dental colleges and other medical colleges and that process. Because ultimately, where the dollar goes is not to the university, it's a state aid package to the person that's going into the profession. [LB691]

SENATOR PANSING BROOKS: I thought they just said it goes to the university. [LB691]

JAY SEARS: I think if you...as you look at the bill, the money is allocated to the university, based upon previous bachelor's degrees, then it goes into the aid package that goes to an individual. If I decide at the end of the semester I'm not staying there, I don't take the money, I've already used that money for first semester or whatever. If I want to go to another institution, then I have to go back through the process, if I am eligible for that aid grant package. And as you look, I think our Attorney General in the past, and our Attorney General currently, is looking at how that aid actually flows and where it ends up. [LB691]

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SENATOR PANSING BROOKS: Okay. Well, it's my understanding that it's redistributed to other eligible students, and I don't know exactly what this means, but it says it shall remit any award balances allowable to the eligible institution. [LB691]

JAY SEARS: To be remitted. [LB691]

SENATOR PANSING BROOKS: That's in page 6, Section 16, starts at Line 22 through 30, basically. [LB691]

JAY SEARS: So it's like if I had...the University of Nebraska is granted based upon the bachelor's degrees in let's just pick education, and they have \$40,000, and they give out the \$40,000 to education candidates, and then half of them decide not to continue at the university, the money goes back to the university and then is reallocated in the next process, or back to the commission to be reallocated in the next year. So it doesn't...it isn't money that stays with the university. It's allocated to the university to be distributed to students, based upon a formula as... [LB691]

SENATOR PANSING BROOKS: Needs of the student. Have you ever seen the money go back to the commission? Or any of the... [LB691]

JAY SEARS: It's not my job to follow it, so... [LB691]

SENATOR PANSING BROOKS: I just wondered. [LB691]

JAY SEARS: That's a good question. Now you've got me curious. [LB691]

SENATOR PANSING BROOKS: Okay, thank you so much for your time. [LB691]

JAY SEARS: Sure. [LB691]

SENATOR SULLIVAN: Senator Groene. [LB691]

SENATOR GROENE: Hasn't it historically been when we get economic downturn, they flock to the guaranteed pay of the teaching profession, and enrollment goes up in our colleges? [LB691]

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JAY SEARS: I think if you watch and look at the department's latest survey, you will notice that the arrow isn't going up in teacher education and the number of candidates we're getting. And we've gone through a downturn... [LB691]

SENATOR GROENE: We just started into a downturn. Yeah, we just started a new one. [LB691]

JAY SEARS: And then it's starting to come back up, hopefully. And so what we're seeing is the number hasn't rebounded. [LB691]

SENATOR GROENE: Haven't we seen though, it's in the smaller towns that they're having a hard time recruiting? Not because of lack of candidates...just that I talked to a...I won't name the town, in the Sandhills. You get kids who don't want to live there, there's no social life, young people. This has nothing to do with the occupation they chose, they'd rather flock to Lincoln and Omaha. And... [LB691]

JAY SEARS: Yeah. To answer your question, Senator, I would say there are shortages no matter what geographic location we're looking at. Some rural areas have more problems than others. One of the things that I see with financial aid packages, that would be beneficial, is it would help students decide to stay in their community. One of the pieces of data we know about is most students stay, and work, and teach in the area in which they get their degree. [LB691]

SENATOR GROENE: Around the teacher colleges? [LB691]

JAY SEARS: Right. [LB691]

SENATOR GROENE: So around the Kearneys and the Chadrons and the UNO (inaudible). [LB691]

JAY SEARS: Right. And within a driving distance, so I can go enjoy Friday or Saturday night out in my community. [LB691]

SENATOR GROENE: But that's not a shortage problem, that's a where do you want to live problem as a graduate, is what I've seen in the rural areas. [LB691]

JAY SEARS: It could be. [LB691]

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SENATOR GROENE: So maybe we need a program to boost the pay for rural areas as a bonus if you'll go there for three or four years and then start your... [LB691]

JAY SEARS: It could be. I grew up in Omaha and I taught in Seward. [LB691]

SENATOR GROENE: And we already have a program for teaching within the...I can't think of the name of it, within the lottery funds, don't we? [LB691]

JAY SEARS: Correct. And it is focused on shortage areas. [LB691]

SENATOR GROENE: Not on income. [LB691]

JAY SEARS: Right. [LB691]

SENATOR GROENE: All right, thank you. [LB691]

JAY SEARS: Sure. [LB691]

SENATOR SULLIVAN: Thank you, Mr. Sears. [LB691]

JAY SEARS: Thank you. [LB691]

SENATOR SULLIVAN: Welcome. [LB691]

TIP O'NEILL: (Exhibits 5, 6) Thank you, Senator Sullivan, members of the Education Committee. I'm Tip O'Neill, T-i-p O-'-N-e-i-l-l. I'm the president of the Association of Independent Colleges and Universities in Nebraska. I represent 14 private nonprofit colleges and universities. We are here in support of LB691. I know you've heard a fairly comprehensive series of reasons to support the bill. I'm handing out a couple things. First of all, a letter from one of my college presidents who is not able to make it here today, that would be president Marilyn Moore, who is the president of BryanLGH College of Health Sciences. And Marilyn has kind of a unique background. Not only is she currently the president of one of my colleges of health sciences, but before that, she was the assistant superintendent for Lincoln Public Schools, and so she has experience both in the education and healthcare professions arena. Marilyn unfortunately fell and broke a couple bones in her leg just in December, and was unable to be here. She didn't think probably the Capitol was the most scooter-friendly place in which to be at this time, so she asked that I deliver her letter, which I thought was very good. Second, I provided just a list of

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factoids regarding the independent colleges and universities. And also, I'd be happy to answer some questions that were posed during the committee hearing. Senator Pansing Brooks, you had some questions regarding how money was reallocated the program, Section 16, for example, of the bill...which is, by the way, identical to the Nebraska Opportunity Grant Provision. Basically, if I may answer what I think was your question, if a student drops out and money is refunded, what happens is the money goes back to the institution, which is the agent for the state, as the bill is drafted. And as agent for the state, the money is then reallocated to other eligible students at the institution. And if there are no other eligible students at the institution, then the money is refunded back to the state. And so that's the way that that process works. And so...and I'd be happy to answer any other questions you might have. Thank you, Senator. [LB691]

SENATOR SULLIVAN: Thank you, Mr. O'Neill. Any questions for him? Senator Pansing Brooks. [LB691]

SENATOR PANSING BROOKS: Well, thank you for coming and testifying, and for bringing Dr. Moore's letter. Of course she's incredibly respected and an amazing person in our community. And I just...I think we've had many discussions on this, and I think you understand my concern about the fact that if...do you believe the University of Nebraska cannot meet this need? [LB691]

TIP O'NEILL: Well, in my opinion, we already offer 34 percent of the education degrees in the state and 57 percent of the bachelor's and master's degree in the health sciences. And in my opinion, to build additional infrastructure to accommodate an additional third of the degrees in education and an additional 60 percent of the degrees in the health sciences would be an unnecessary burden for the taxpayers of the state. And the constitution of the state of Nebraska does not require a free higher education for students attending higher education institutions in the state. It does require a free K-12 education, but not a free higher education, which I believe gives the state additional discretion on how to utilize its higher education resources. So I think the state does have a permissive authority to utilize private higher education resources in a way that it doesn't have the discretion to use private K-12 resources. [LB691]

SENATOR PANSING BROOKS: I think you would agree, the constitution says K-12...or it says 5 through 21, right? It doesn't say... [LB691]

TIP O'NEILL: Not free, no. I don't believe so. [LB691]

SENATOR PANSING BROOKS: The education of... [LB691]

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TIP O'NEILL: Five through 21, but in the context of a high school or a secondary education. [LB691]

SENATOR PANSING BROOKS: Okay. So...that's all I have. [LB691]

SENATOR SULLIVAN: Okay. Any other questions? Thank you for your testimony. [LB691]

TIP O'NEILL: Thank you, Senator. [LB691]

SENATOR SULLIVAN: (Exhibits 7, 8, 9, 10) Any other proponent testimony on LB691? Anyone wishing to speak in opposition? Or in a neutral capacity for LB691? Excuse me. We have several letters in support of the bill: from Elisabeth Hurst, director of advocacy for the Nebraska Hospital Association; Joni Cover, chief executive officer of the Nebraska Pharmacist Association; Jackie Carter, president of Doane College; and Sheri DeVeney, president of Nebraska Speech-Language-Hearing Association. Senator Morfeld to close. [LB691]

SENATOR MORFELD: Thank you members of the committee and Chairwoman Sullivan. I always enjoy a good discussion on college affordability and higher education affordability in general. You know, to Senator Groene's point, you know, quite frankly I would like it to be a broader pool, but I've also noticed that there's a lot of folks that don't full understand...I don't think it's this committee, we hear a lot about the higher education needs and loan debt that many students carry, myself included. But from what I've been able to gauge within the body, and I've had many discussions with many members outside of this committee on higher education affordability, the consensus seems to be that people are willing to invest in more need-based aid, but in targeted areas where we know that there's a need in both rural and urban Nebraska. And so that's why I targeted teachers, education and then also healthcare professions, because we know that there's a targeted need. Now in terms of the aid following the student, I mean, personally I think that the aid follows the student in the most efficient way that we can possibly do it. Because if...I'm just trying to think of the ways that we would be able to administer it individually following the student. And if the student drops out, how we'd be able to take back that funding and then be able to redistribute it to students who need that funding that have those qualifications for need-based aid. I think that we're doing it in the most efficient way possible right now. And then if for some reason there is a surplus, on page 7, at the top there, it's to be returned to the commission as it currently exists in the Nebraska Opportunity Grant Program. And so I'm fine with looking at different mechanisms to distribute the funding, but I think it's being distributed in probably the most efficient way possible at this time. And quite frankly, if there's left over funding, particularly after a student drops out or whatever the case may be, I would like it to stay with the college to give back to the students who need that aid that semester or that year. Because quite frankly, we rank one of the lowest in need-based aid as it is, so if

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there's an opportunity to redistribute immediately to other students who qualify for need-based, then I would prefer it happen that way. And so that the aid gets to the student before they take out more student loans, rather than waiting another year. You know, in terms of middle income need, that actually really resonates with me, Senator Groene. I mean, I was middle income, I didn't receive any need-based aid. My parents didn't make a ton, but they didn't, you know, make little enough. And so I'm one of those students that had to only...was really only qualified for merit-based aid. And that clearly, you know, didn't get me across the finish line debt free. That being said, I...you know, I'd like to start to the bottom and hopefully kind of build our way up in terms of being able to provide need-based aid to the most needy students. And also, the numbers that Senator Krist brought up, that I passed out, I think that those numbers...I don't just think, I know that those numbers are underinflated...I don't know if that's the right term. But you know, they don't include parent PLUS loans. In my household, my parents took out parent PLUS loans, and they took them out for me, but it was with the express understanding that they weren't paying them back. I'm paying them back right now--\$250 a month, in addition to my \$800 a month in federal loan repayments. So that's \$1,000 a month that's going to loan folks, probably out of state, where it could be money that I'm investing into a bigger house, or building or buying a new house, or investing in a business, or doing something like that, investing in our local economy. So this is money that is largely going out of state, that otherwise could be reinvested here, if people had smaller loan payment amounts. And that's not even to mention the other private loan that I had to take out, which was \$10,000, that I pay another \$150 to \$200 a month. So all in all, somebody like me is paying \$1,200 to \$1,400 a month. And that's me as a middle income student. For the lower income students, it could be even more. So with that being said, I appreciate everybody's consideration of this issue. I'm more than happy to work on broadening the pool, or perhaps coming up with some different funding mechanisms if that builds consensus around this issue. But that being said, we still need to have a discussion about how much we would allocate if we agree that this is the path forward. And with that, I'd be happy to take any questions at all. Thank you. [LB691]

SENATOR SULLIVAN: One clarification, Senator Morfeld. Are you including master's degrees in the total... [LB691]

SENATOR MORFELD: No, we just limited it...oh, I'm sorry. [LB691]

SENATOR SULLIVAN: So they're not included in the...but they're included in the distribution of... [LB691]

SENATOR MORFELD: We're only including bachelor's degrees here. And we looked at master's degrees, but we wanted to keep it somewhat limited, and we wanted to eliminate barriers to

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access. Which first, people have to get bachelor's degrees. So that was a conscious decision.
[LB691]

SENATOR SULLIVAN: Okay. [LB691]

SENATOR MORFELD: I'd be willing to look at other options, too. [LB691]

SENATOR SULLIVAN: Okay. Senator Groene. [LB691]

SENATOR GROENE: So you went through all that for a \$12,000 a year job. Should we put state senators in here, too? [LB691]

SENATOR MORFELD: We should probably have each senator take a certain type of test before they... [LB691]

SENATOR GROENE: Did you talk to anybody within the higher education? What kind of an aid bill we would need to make a dent in this? Because you really don't have an appropriations... [LB691]

SENATOR MORFELD: I don't have an appropriation. I knew that we were going to questions about that, but that's a discussion that I wanted to have with the senators. Now personally, I mean, I think the Nebraska Opportunity Grant Program is important, I think all of you know that. It just does not go far enough. And when the average student is only getting \$1,000 a year, I mean, I think that that's a number that we need to look at. And I'm still waiting to get some feedback from some higher education folks on what a good number would be. But that's a job that remains to be done here on this bill. [LB691]

SENATOR GROENE: But you know that the past legislators here made a decision to keep tuition low at our public universities, that's where their emphasis was, as a way of allowing more people to afford public education. So should we raise...take away there and give a little here? [LB691]

SENATOR MORFELD: I don't think so. I mean, you know, I wasn't in the body, obviously, when we made that decision. We had the tuition freeze for two years, which I think is what you're referring to. [LB691]

SENATOR GROENE: The lowest in the Big Ten or the lowest in surrounding states. [LB691]

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SENATOR MORFELD: Certainly. We are the lowest, and I do applaud, that's for public university here and even the state colleges I believe, that we're pretty low as compared to our peers. You know, and I applaud them for being lower than our peers, but you know, for me to compare us to our peers that are doing way worse than what we're doing, we just happen to be doing a little bit better than worse. You know, to me, that's not necessarily a good excuse for not doing anything. I was looking at, I believe it's Northwestern, which is in the Big Ten, which is our highest peer. And they actually...I saw a news article, I was looking up, they increased their tuition last year, too. You know the excuse that they used? Oh, we're the lowest in our peer group, so we should increase it just a little bit me. I mean, for me it's a circular argument. And obviously we are not talking about the privates right now, we're talking about the public university system. Our public university system has worked very hard to stay affordable, and our state college system as well. And I applaud them, and I've told them that many times before. That being said, higher education, and the cost of it, is still out of reach for many middle income families, and definitely low income families, and so there's still work to be done. And we still need to continue to constantly be having this conversation and constantly be talking about the need to be dedicating resources to keep higher education low, so that we both keep students in the state, but then we also keep getting students that are skilled, and trained, and able to take on some of our work force needs, which is the number one issue that all of our employers face. [LB691]

SENATOR SULLIVAN: Senator Baker. [LB691]

SENATOR BAKER: Thank you, Senator Sullivan. I'm mindful we have three other hearings, so I have not taken any time yet, but I wonder if Senator Morfeld would answer a couple questions. Do you have a dollar figure in mind? Like how much per year, per student? Do you have a dollar figure in your mind? [LB691]

SENATOR MORFELD: Yeah. I mean, per student...and that's why I'm waiting to hear back. But for me, I think that it would be meaningful to have at least \$2,000 or \$3,000 per student. [LB691]

SENATOR BAKER: Per four-year career? [LB691]

SENATOR MORFELD: Per year. [LB691]

SENATOR BAKER: Per year, okay. All right. Do you think that... [LB691]

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SENATOR MORFELD: Because this is a much more targeted program. So it wouldn't be as broadly. [LB691]

SENATOR BAKER: Do you think that that would make a difference between someone attending a school or not, or is it just more about the student debt when you're done? [LB691]

SENATOR MORFELD: Well, I think...you know, I think it's more about the student debt when you're done. But I also think it's somebody making a decision, am I going into an education career or am I going into a business career track. Am I going into a healthcare career track or am I going into a business, or you know, a master's type of program, becoming an attorney, or whatever the case may be. [LB691]

SENATOR BAKER: Thank you. [LB691]

SENATOR SULLIVAN: Senator Pansing Brooks. [LB691]

SENATOR PANSING BROOKS: Senator Morfeld, I think we've had some of these discussions, so onward with these. And I guess I'm interested first off, do you know if the University of Nebraska cannot fulfill the state need for more teachers and nurses? [LB691]

SENATOR MORFELD: Because we have a shortage in areas, I'm assuming no, they can't. [LB691]

SENATOR PANSING BROOKS: Okay. But have you talked to the Nebraska to see if them or any of the... [LB691]

SENATOR MORFELD: I don't know if they would be able to answer that either, but I think that we can look and see that there's a shortage, and that our state is clearly not meeting that shortage. So I think the logical assumption and conclusion is yes. [LB691]

SENATOR PANSING BROOKS: Okay. And I'm not assuming that, but I'm interested in then your take on how, if we're using public dollars for private schools in colleges, why is it not okay...because I know that you and I don't think it's okay to do it in K-12. So what is it that makes the difference there for you? [LB691]

SENATOR MORFELD: Well, I think what makes the difference is that I think that there's a big difference between K-12 education and higher education. You know, for K-12 education,

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particularly for public education, it's 100 percent free. For higher education, even if you go to public education, it costs a pretty hefty sum. And then private colleges are also, you know, charging a hefty sum as well, and usually making up the difference in scholarships and other private dollars. So for me, I think that, you know, it's a retention issue in the state. If we have young people that are graduating from both private schools and public schools, and they happen to be having more debt, they're less likely to take a job in Nebraska, which generally is a little bit lower than a job in Minneapolis or Des Moines, or you know, whatever the case may be. Even though, I think I could make a good argument to them that well, cost of living here, so it's offset. But sometimes, when you're looking at those dollars and cents, and you're just getting out of school, you don't always think about those things. So you know, for me, I just think it's fundamentally different than K-12 education. And as you know, I'm not a supporter of vouchers or charter schools or anything like that. I think we have a high-quality public education system here. And I think it also brings us in conformance with other state aid programs. State aid programs across the country provide funding for both public and private schools, and I don't want to be at a disadvantage in terms of that either. [LB691]

SENATOR PANSING BROOKS: Okay. So if you had gone to...where did you go, Wesleyan, I can't remember? [LB691]

SENATOR MORFELD: University of Nebraska-Lincoln. [LB691]

SENATOR PANSING BROOKS: I know, but I thought you went to private school first off? [LB691]

SENATOR MORFELD: I did not. I went to St. Teresa's in kindergarten and first grade, which was like ten years ago or something. [LB691]

SENATOR PANSING BROOKS: Did you get a grant for that one? [LB691]

SENATOR MORFELD: I didn't. I think it was need-based, so I got it free. [LB691]

SENATOR PANSING BROOKS: Anyway. Well, I guess I'm interested just if...I feel that if it would just follow the student who's in need, that that seems a little bit more reasonable, than necessarily going to the school. So I have no problem that it goes to the private school, as long as it goes to the student there... [LB691]

SENATOR MORFELD: I guess what's the difference, Senator? I'm having a hard time understanding what the difference is, as long as it gets to the student. [LB691]

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SENATOR PANSING BROOKS: If the student transfers, then that poor student doesn't have any aid. If that student made a bad decision. Or if that person went to Nebraska, and decided oh my gosh, Wesleyan has a much better major for me to be able to complete, and it will be more successful for me. The fact that it can't go from Nebraska to Wesleyan, I just don't understand that. It seems like it would be almost a wash. [LB691]

SENATOR MORFELD: Well, I don't... [LB691]

SENATOR PANSING BROOKS: Do more people switch out of the private schools to Nebraska, is that the problem? [LB691]

SENATOR MORFELD: I don't know the answer to that question. But you know, what I will tell you is that being a former academic advisor at the University, you know, most students almost always transfer at the end of the semester. So they're still receiving that scholarship aid at the end of the semester. And if they're eligible at the University, because they're low income, they're going to be eligible for that type of grant funding usually at the other institution within the state that they're attending, whether it be public or private. So they're likely going to be eligible for those same grants somewhere else. [LB691]

SENATOR PANSING BROOKS: But probably...is that right? Because I thought they were awarded at the beginning, so once they move, they're out of luck. [LB691]

SENATOR MORFELD: Yeah, but a lot of people move. And then what happens is, is that that's offset by other students moving. I mean, so there's probably some students that leave UNL...because I knew there was some students that left UNL and went to Wesleyan or Creighton, and then there NOG opportunity grand funding was left over, because again, as you see, we mirror the NOG opportunity grant program, where that funding would then be left over and be able to be redistributed to other students that are coming into UNL, maybe in the second semester of that academic year. And so, I mean, I'm more than happy to look at other ways that we can administer the grant funds to where it follows the student. That being said, in the end, the grant funding that's left over isn't going to the private university's operations and administration and those types of things. It's going to the actual tuition, so it's not like whatever left over money is just a windfall for the private institution or the public institution or whatever the case may be. It's given back to the commission. Now, I bet the commission...and I'm just guessing they're behind me, but I bet the commission doesn't get a lot of money back, because there's not a lot of money to begin with, and there's a lot of need. So I think that's probably why you don't see a lot of money back. I would like to see more money in there. [LB691]

SENATOR PANSING BROOKS: Thank you, Senator. [LB691]

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SENATOR MORFELD: Yeah, thank you. [LB691]

SENATOR SULLIVAN: Thank you, Senator Morfeld. [LB691]

SENATOR MORFELD: Thank you. [LB691]

SENATOR SULLIVAN: This closes the hearing on LB691. We will now move on to LB752, Senator Crawford. Welcome to the Education Committee. [LB752]

SENATOR CRAWFORD: Thank you and good afternoon, Chairwoman Sullivan and members of the Education Committee. My name is Sue Crawford, S-u-e C-r-a-w-f-o-r-d, and I represent the 45th Legislative District of Bellevue, Offutt, and eastern Sarpy County. In 2013, the Nebraska Chamber of Commerce completed an employer survey and found alarming results. Over half indicated they had difficulty in hiring qualified employees in the last year, while one in four said the lack of skilled employees was a key issue limiting their business growth. This survey highlighted something we know: Nebraska is facing a serious skills gap, particularly in terms of what are known as middle-skill jobs, jobs that require more than a high school diploma, but less than a four-year postsecondary degree. We also know that this gap cannot be closed solely with the young adults leaving our high school each year. A complete work force strategy involves helping adults, including adult learners, obtain some sort of credential or postsecondary degree through career pathways. Not only is bridging the divide from our wide variety of adult education programs to postsecondary degrees and credentials the right thing to do to improve our work force, it also has the potential to help lift more Nebraskans up and out of poverty. A third of all Nebraskans lack a postsecondary degree, while 12.5 of all Nebraskans age 18 to 64 do not have a high school degree or equivalent. What's more, 36 percent of Nebraskans are at or below basic literacy levels. When you look at communities of color, Nebraska is dead last for the percentage of minority adults without a high school diploma or GED. Career pathways are a key focus in the Work Force Innovation and Opportunity Act, that our Department of Labor has been working hard to implement. For example, the Nebraska Department of Labor must develop strategies to support career pathways and lead efforts to develop and implement career pathways. So a career pathway allows a student to advance from one job to the next in job clusters, so it creates a guide for students and people in work force training to understand how to start at an entry level position and work towards...work progressively towards increasing pay and increasing responsibility in a career pathway. And we had a chance, in a meeting with stakeholders this interim, to get an update from the Department of Labor on the work they're doing on the career pathways, which is good work, into identifying some of the needs in the state, and the pathways to careers and of those needs in the state. The task force envisioned in LB752 brings the work of our Department of Labor together with the work of other committees, legislative committees, and agencies that all touch this issue of adult basic education, and trying

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to help people get the training and education they need to get into our work force. Heath Boddy, president of the Nebraska Healthcare Association, will speak shortly, to share an example of what a career pathway in healthcare might look like. The structural language in LB752 is modeled after the Intergenerational Poverty Task Force created by LB607, which passed last year, and other recent legislative task forces. These task forces are particularly important for issues that affect multiple committees and government agencies. Adult basic education is a good example of this, because it is provided by many different sources. And I think you may hear from a few of those today. So we have a variety of institutions and agencies that provide adult basic education. We have adult basic education in corrections, we have adult basic education in job training, we have adult basic education in education, so it crosses many of our agencies and legislative committees and also addresses economic development, which crosses many of our committees and agencies. The process laid out in LB752 brings multiple committee members and agency heads together, and is data-driven, and involves issue area experts to provide guidance as the task force prepares its policy recommendations. The Adult Career Pathways Task Force created by LB752 includes six voting members from the Nebraska Legislature, including the Chairperson of the Education Committee, and the Business and Labor Committee, and a senator who is also a commissioner on the Midwest Higher Education Compact, and three additional members appointed by the executive board. Nonvoting members of the task force include representatives from the Department of Education, the Department of Economic Development, the Department of Corrections, and the Coordinating Commission for Postsecondary Education, as well as a variety of stakeholders...and its chambers of commerce, service providers, and policy experts. The Adult Career Pathways Task Force will identify and study adult student transitions from adult basic education, adult language learner, and general education development, or GED programs to our career pathways. The task force will also develop common performance measures across these programs to track student progress and make policy recommendations to better align these programs with career pathways, and with programs in the Department of Labor, the Department of Economic Development, the Department of Correctional Services, the Department of Education, and the Coordinating Commission of Higher Education. The key focus here is to make sure we see how students move from one education or one career to the next, and try to eliminate barriers or ways that we're not aligned in helping students move up these career pathways. Addressing work force shortages and developing a comprehensive strategy for tackling these shortages requires cooperation across industries, sectors, and in the Legislature, across committees. Much of the work of WIOA and career pathways lay at the intersection of several committees, including the Education Committee and the Business and Labor Committee. LB752 pulls together these various groups in intentional process to work toward a common goal, ensuring more adult learners have access to and complete postsecondary education through the use of career pathways, regardless of where they start. With that, I'm happy to answer any questions you may have. And I'll stay for closing, to answer questions then. [LB752]

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SENATOR SULLIVAN: Thank you, Senator Crawford. I know you indicated that we're going to hear an example in the healthcare arena, but can you give me a little bit of an idea of what...who's the student audience that we're looking at? I mean, what does he or she look like? [LB752]

SENATOR CRAWFORD: Right. So in this case, the task force is looking at adult learners. And so we're trying to look at adults who may not have completed their high school education, and need a chance to get their GED. And then we want to make sure that they move from that to the necessary education credentialing they need to be in our work force. So one example would be people who have dropped out of high school. I mean, another example would be people who are in our state who are English language learners, so they're getting adult basic education in terms of English language learning, and making sure there's a transition from that to again, some kind of job training or education that will help them move into a career. The career pathways the Department of Labor is establishing is pretty comprehensive. It includes health, technology, it really looks at sectors of need in our economy and tries to develop pathways from the most entry-level position to more advanced positions in each of those areas. So what this task force examines are those students who are more likely to be outside of our traditional K-12 education system, because they are adult learners. And so they either have dropped out of that K-12 system, or they are...yeah, they're adults now and they're not part of that system. And so the issue is also retraining people perhaps, who are in positions that are not likely to help them move forward. So also might be reaching out to people who are positions that want job retraining, to be able to move into careers. [LB752]

SENATOR SULLIVAN: So when you say this effort would be data-driven, do you have access to data that identifies these audiences that you just mentioned? [LB752]

SENATOR CRAWFORD: The task force would definitely be pulling that together. I did not bring that today. But that would definitely be something that... [LB752]

SENATOR SULLIVAN: I mean, does that data exist somewhere? [LB752]

SENATOR CRAWFORD: Especially, I think, one of the issues with adult basic education is again, the students are in lots of different places, and so we're less likely, without an effort like this, to know what that data looks like. Because...and we also have students who are in Department of Corrections who are in adult basic education, and we have students who are in a job training program who are in adult basic education. We have students who may be doing adult basic education as part of their work requirements for benefits programs, and HHS, and so we have...and then we have students who are in our...accessing English language learning programs from nonprofits in our communities. So I think that part of the effort of the task force will be

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helping to pull this data together, by getting the people who serve these students together in the same committee, in the same process. [LB752]

SENATOR SULLIVAN: Who's going to lead all that, and what's the expense? Because it doesn't appear there's a very hefty fiscal note, but... [LB752]

SENATOR CRAWFORD: Right. So as the task force comes together, the task force will select a chair, and the chair would probably be...the chair would be one of the legislative members of the task force. Just like the chair of the Intergenerational Task Force leads that effort, the chair of this task force would lead that effort. [LB752]

SENATOR SULLIVAN: And so then they...whoever is chairing it is the one that provides administrative support? [LB752]

SENATOR CRAWFORD: That is what happened with the Intergenerational Task Force, as far as I know. [LB752]

SENATOR SULLIVAN: Okay. [LB752]

SENATOR CRAWFORD: So it's modeled after that, yeah. And that is my understanding of what happened there. So the fiscal note is for reimbursement of expenses of the...some of the appointed members, and does not provide other staff support. Again, it is modeled after the Intergenerational Poverty Task Force, and that is was the model that they followed. [LB752]

SENATOR SULLIVAN: Okay. All right, thank you. Questions for Senator Crawford? Senator Schnoor. [LB752]

SENATOR SCHNOOR: Would that chairman be the Chairman of the Education Committee? [LB752]

SENATOR CRAWFORD: Well, that would be one of the members, so but it would be a matter of who the task force decided to have chair the committee. [LB752]

SENATOR SCHNOOR: On a serious note, you had in your...oh, the members of this task force, you have the Director of Correctional Services. Why that director? [LB752]

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SENATOR CRAWFORD: Well, we wanted to make sure that we were linking the adult education programs there to these career pathways as well, as an important part of helping people as they leave to reenter and get into productive careers. So that's why the Department of Corrections is included. Now I don't know if you think that is...there is someone else in the Department of Corrections you think is a more appropriate person, I'd be happy to consider that. [LB752]

SENATOR SCHNOOR: No, that one just kind of catches me off guard of why...when you tend to think about education, you don't think about the Director of Correctional Services, so that was my question as to why. [LB752]

SENATOR CRAWFORD: Right. And that's I think part of how adult basic education is very different. It's kind of a different set of actors than in some of our other educational programs. [LB752]

SENATOR SCHNOOR: Okay. That was my only question. [LB752]

SENATOR CRAWFORD: Yeah, thanks. [LB752]

SENATOR SULLIVAN: Okay, any other questions? All right, thank you. [LB752]

SENATOR CRAWFORD: Thank you. [LB752]

SENATOR SULLIVAN: Welcome. [LB752]

HEATH BODDY: (Exhibit 1) Good afternoon, Senator. Chairwoman Sullivan and the members of the Education Committee, as Senator Crawford said a little bit earlier, my name is Heath Boddy, that's H-e-a-t-h B-o-d-d-y. I'm the president and CEO of the Nebraska Healthcare Association, and that association serves as the umbrella organization for both the Nebraska Nursing Facility Association and the Nebraska Assisted Living Association. Our organization also includes the Nebraska Hospice and Palliative Care Association and the Licensed Practical Nurse Association of Nebraska, as well as a postsecondary accredited college, focused on caregiving education, and a foundation that offers more than \$20,000 in scholarships each year. I want to express my appreciation to Senator Crawford and her staff, for presenting this important issue for your consideration. Creating a task force that will bring together legislators, state agency administrators, and key representatives of the education, business, consumer, and philanthropic communities to discuss work force needs and gaps, and develop recommendations for continuing adult basic education to careers in high-demand occupations is both timely and

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farsighted. I'm here to speak in support of LB752 on behalf of the Nebraska Healthcare Association's 430-plus skilled nursing and assisted living facility members, almost equally divided between the not-for-profit and proprietary, who employ more than 28,000 caregivers of our frailest, sickest, and most vulnerable Nebraskans each and every day. These caregivers are the heart and soul of long-term care, and we appreciate their service. The only problem is there's not enough of them. There are not enough to care for the individuals we have out there now, especially in Nebraska's rural areas, and definitely not enough to meet the need in the future. Our members struggle every day to find, recruit, and retain quality employees. With the U.S. Census Bureau projecting the number of Nebraskans age 85 and older will double by 2040, those of traditional caregiving age, typically 25 to 44 years old, are projected to increase by only 14 percent. In Nebraska, even over the next decade, the need for direct care workers is expected to increase by 19 percent, compared to 10 percent for all other occupations. As we traveled the state this summer and heard from our members over and over, in all parts of the state we heard that even staffing agencies are struggling to find direct care workers, often importing them from other states. States we heard were Kentucky, Texas, Louisiana. The cost of higher-end caregivers from staffing agencies is high. In order to attract a sufficient work force, agencies must not only offer a competitive wage, but also cover the cost of transportation, temporary housing, and other benefits. These costs are then passed on to the payer, and whether the service is nursing facility or care in the home, the cost to the payer, private insurance, or Medicaid will increase, unless workable alternatives can be developed. All of this makes the recruitment and retention of employees who are interested in healthcare....excuse me, in a healthcare career of paramount importance. And as we understand it, a career pathway is an innovative learning experience that benefits both the students and the businesses, and in long-term care, there's already some discussions, some interest in pathways for that area. And as Senator Crawford shared, I wanted to share a story that's very...somewhat personal to me, and it's Pam's story. It's an example of someone who created her own pathway. She began her career as a nurse's aid at the nursing facility where I was serving as the administrator. She continually sought additional education and job experience, and while working as a nurse's aid, she took the additional training necessary to become a medication aid. From there, she went on to become a licensed practical nurse and then a registered nurse. She attained her bachelor's degree, then her master's degree, and plans to pursue her doctorate as it stands today. She happens today to serve as the Nebraska Healthcare Association's director of professional development, and manages the association's professional development program, continually expanding the association's range of educational offerings, and serving as one example of how a career pathway in long-term care could look. We believe the work of the task force created by LB752 will help increase student's awareness of career opportunities in healthcare, and help them recognize employment as a nurse's aid can be a rewarding career in itself, or can be the first step of a longer career pathway. We believe Nebraska's work force challenges are solvable problems, and hope you'll vote in favor of advancing LB752. The Nebraska Healthcare Association has confidence that by working together, we can find a way to support Nebraskans who are interested in a healthcare career, in

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our case, particularly in long-term care, and help them achieve their career goals, while at the same time building a quality work force to take care of older Nebraskans now and into the future. Thanks again for your time today, and I'd be glad to answer any questions. [LB752]

SENATOR SULLIVAN: Thank you, Mr. Boddy. What's the...in your profession, what's the critical problem? Is it not so much that there isn't a pool of people that you need to draw from to go into the profession, or are we simply lacking a pool of people, because we don't even have enough people in this state? [LB752]

HEATH BODDY: It would seem, not being an expert in that area, it would seem that we lack a pool. And then struggling to work against other areas that are also struggling for folks, finding a path for people to take that seemed attainable to them. Some people are automatically...I've got two children at the university right now. They were pretty clear that's the direction they were going to take right out of the gate. I think there's also, as in Pam's case, there are people that don't necessarily know the direction they're going, they need those steps to help carry them forward. So I do think there's a shortage of bodies, I think there also could be some great work that could help those folks that are available. And you know, Nebraska's population is changing a bit. As Senator Crawford talked about, English learning, is there an opportunity to help those folks...maybe people that don't have English as their first language find a path. And again, in this case, it would be in the health sector for our interest. [LB752]

SENATOR SULLIVAN: Okay. Senator Baker. [LB752]

SENATOR BAKER: Thank you, Senator Sullivan. Mr. Boddy, just one question. You know, part of the target audience was the people who are receiving GEDs or adult ed in correctional facilities. My question is, is it difficult for a person with a criminal record to become engaged in healthcare occupations? [LB752]

HEATH BODDY: It is. When you're serving a vulnerable Nebraskan, the regulations that we deal with in the senior space make it pretty tough. We're actually...interesting questions with Senator Crawford and Department of Corrections, we're actually engaging conversation with them right now about what does that look like, and are there opportunities. But to answer your question directly, it is tough for somebody with certain criminal histories to engage vulnerable Nebraskans. [LB752]

SENATOR BAKER: Thank you. [LB752]

SENATOR SULLIVAN: Senator Groene. [LB752]

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SENATOR GROENE: I know it's just your occupation, but is the problem we don't have enough openings at our schools? At Mid-Plains in North Platte, they got a two-year wait to get into nursing, because of the problem...with association with the hospital...how many...what do they call it, it's not an intern, but another name for a nurse that has to do her beginning time. But that's what we're seeing. I think...I've talked to kids who have waited to get into St. Mary's, to get into nursing programs. It isn't the lack of candidates, it's the positions they can fill, that they can take--the students they can take. Have you seen that? [LB752]

HEATH BODDY: Nebraska has continued to struggle over time with licensed nurses, both LPNs and RNs. I don't know the experience with that particular college. Going a little further downstream, I can tell you that we are struggling greatly in this state with direct caregiving. So not just a registered nurse, licensed practical nurses. We represent the LPN Association in the state, and I would tell you that the lion's share of people that come through that association follow through and go on...it's usually a step for them to go to a registered nurse. So there are folks...and maybe that's where some of the struggles are, maybe they're getting some of those education pieces out of the way before they get there. I'm not really sure of that. I could say that if there was a way for us, for people that we're not accessing now, maybe people that don't have that trajectory, to get them into the healthcare space, to help them see that this could be a path for them. It may not necessarily alleviate waiting times at a nursing college, but it might allow more people that could focus on caregiving across the state. [LB752]

SENATOR GROENE: Thank you. [LB752]

SENATOR SULLIVAN: Any other questions? Thank you, Mr. Boddy. Any other proponent testimony for LB752? Welcome. [LB752]

CAROLINA QUEZADA: (Exhibit 2) Thank you. Good afternoon, everyone. My name is Carolina Quezada, and I am the executive director of the Latino Center of the Midlands, and we are based in south Omaha. Thank you for the opportunity to share the following comments about the legislative bill before you, LB752. As a director of an organization that provides basic adult education in the largely Latino community of south Omaha, and its immediate environs, on behalf of the clients we serve, let me state the LB752 is an important step in the right direction for our state. The Adult Career Pathways Task Force will bring a variety of stakeholders across the state together to tackle the questions and the needs faced by youth, young adults, but also adult learners alike, as Senator Crawford was explaining earlier. The result of the work of the task force will particularly impact those who are greatest in need to connect to these pipelines, such as the population served at the Latino Center of the Midlands. In the last year, our agency provided basic adult education services to over 600 students. These services include classes and individual and group tutorials. The LCM, the Latino Center of the Midlands, provides GED

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classes in Spanish, our preparatory class we call the pre-GED, which is a precursor to the GED, and literacy classes. We also provide ESL and basic computer literacy courses as well. Our aim is to provide basic education to Spanish speaking adult learners and to connect these students to other opportunities beyond our program. Our students are immigrants who come to this country with varying degrees of educational attainment. Overwhelmingly, however, these students have little to no formal education. A good number of our students work in the janitorial, meat packing, and non-skilled construction industries. What invariably drives these adults to our center and to centers like ours across the state is the need for more skills and education, that will allow them to be competitive in the job market. Recently, the Latino Center of the Midlands conducted a brief research project that highlights the need to increase support for this population of adult students. Overall, our findings reiterate what so many of us already know, adult basic education must be purposefully connected to building pathways and jobs. For the adults we serve, they seek the following: first, more opportunities to learn and practice English in a generalized context; secondly, to develop English-speaking skills specific to the industry they're looking to enter, such as welding, construction, and other skilled jobs; and three, access to programs that support the dual role of being a breadwinner and a student at the same time. Moreover, our students tell us they need additional support services, such as English language immersion, career counseling, and personal leadership development to help maintain resiliency and focus, as they work to find success on this pathway. Our students were pretty detailed about what they need in order to ensure success in their goals. The Latino Center of the Midlands looks forward to the work of the Adult Career Pathways Task Force. We look forward to supporting their work. Thank you. [LB752]

SENATOR SULLIVAN: Thank you, Ms. Quezada. Could I ask you first of all, to spell your first and last names for the record? [LB752]

CAROLINA QUEZADA: I knew that question was coming. First name is spelled C-a-r-o-l-i-n-a, last name Q-u-e-z-a-d-a. [LB752]

SENATOR SULLIVAN: Thank you very much. Admittedly, the population that you serve is one of the fastest growing populations in our state. What do you think, when you look at the challenges to serving them and getting them on careers, what particularly do you think would be helped by this task force? [LB752]

CAROLINA QUEZADA: You know, I think that...if I understood your question correctly, I think...pointing earlier to some of the comments the senator made, it's really important that the task force really look at how it really does need to think outside the box, if you will, for potential solutions. You know, we are serving adult learners across the state who come from such varying backgrounds that strategies that perhaps traditionally worked for one population are not going to

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work for all. So I think the flexibility and adaptability, and understanding that pathways are so different. But the important thing is to really meet the student where he or she is. Did I answer that question, or was it nuanced a little differently? [LB752]

SENATOR SULLIVAN: No, that's fine. And you indicated, I think, your office is in south Omaha, but you serve statewide. How do you do that? [LB752]

CAROLINA QUEZADA: No. We serve in the metro Omaha area. [LB752]

SENATOR SULLIVAN: How is the rest of the population in the state served? [LB752]

CAROLINA QUEZADA: Through a series of different community-based organizations. So many of the communities that are growing, primarily Latino communities that are growing, in the state, will invariably be served by either an ad hoc group or a more formal organization that's a Latino or Hispanic organization. And we see that. We have been communicating with five other organizations across the state through a connection and collaboration that we have with Nebraska Appleseed. And so we find that a lot of the families we serve are really drawn to community-based instruction. A place where they trust, they speak their language, and they're able to tailor classes according to their level and to their need. [LB752]

SENATOR SULLIVAN: Okay, thank you. Any other questions for her? Thank you for your testimony. [LB752]

CAROLINA QUEZADA: Thank you. [LB752]

SENATOR SULLIVAN: Welcome. [LB752]

KATIE PITTS: (Exhibit 3) Thank you. Good afternoon, Chairwoman Sullivan and members of the Education Committee. My name is Katie Pitts, K-a-t-i-e P-i-t-t-s, and I am the policy director at Nebraska Appleseed, and I'm here to testify in support of LB752. As Senator Crawford mentioned in her opening, the jobs of the future will require Nebraska's work force to have training and education beyond the high school level. By 2018, 64 percent of available jobs in Nebraska will require a postsecondary education, yet nearly 10 percent of all Nebraskans ages 18 to 64 lack a high school degree or an equivalent. Moreover, 36 percent of adults in Nebraska are at or below basic literacy levels. With skill deficiencies such as these, many individuals are unable to access quality jobs and fully participate in our communities and economy. We must address this issue to ensure families have the skills they need to move ahead, and also to ensure that our employers have the skilled employees they require. We can begin to address the skills

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gap by determining what measures would help more adults complete basic education and continue on to postsecondary education and ultimately to an in-demand job. This is what LB752 aims to do, through the creation of the Adult Career Pathways Task Force. This task force would formally bring together a broad group of policy makers, educators, businesses, state departments, and other stakeholders to study the continuity between adult education, GED and postsecondary education, and to formulate recommendations to ensure more students gain skills and move into high-demand employment. The formalization of this assessment in the Legislative Branch will ensure continuity in this process, that all stakeholders are convened and are heard, and that forward momentum continues. This will be critical to ensure Nebraska has the employees we need for the jobs of the future. And so Appleseed strongly urges this committee to advance LB752, and would like to thank Senator Crawford for all of her work on this issue, and the committee as well. Thank you. [LB752]

SENATOR SULLIVAN: Thank you, Ms. Pitts. Any questions for her? Thank you for your testimony. [LB752]

KATIE PITTS: Thanks. [LB752]

SENATOR SULLIVAN: Welcome back. [LB752]

MIKE BAUMGARTNER: Thank you, Madam Chairwoman. 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. Because I've had so much time in front of you already today, and because Senator Crawford and others have already made the comments that I would have made...had they not, I would just like to say that to meet the state's work force needs and to provide the means for all Nebraskans to pursue their individual happiness, we have to look beyond the students that come right out of high school as graduates, and we have to look beyond the adults that have some education in college already or that have a degree, to those who have dropped out of high school or didn't complete it for one reason or another, or stopped there and have very rusty skills. Multiple efforts are underway in Nebraska to address issues of work force development beyond high school. I want to thank Senator Crawford for the meeting she has already convened to explore this matter under LR223. We believe that these are important to be done in a coordinated manner as she has been doing, and as this task force would do going forward. And so I would urge you to support this LB752. [LB752]

SENATOR SULLIVAN: Thank you, Dr. Baumgartner. You listed the different kinds of audiences who could potentially be served by the ideas discussed in this task force. My question is, is there a way to identify those populations? [LB752]

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MIKE BAUMGARTNER: The populations will often self-identify by coming to look for services and some other social service that they need or contacting the adult basic ed provider or through...could be a referral from a workplace whenever the employer realizes they don't have the minimal qualifications to read and fill out the applications, then the Department of Labor or the Department of Education can also become involved with the adult basic education effort. So they would also be identifiable to some extent, and you'd probably run into FERPA issues by students who left high school early and that the high school knows are in need of services. So...a myriad of different ways to do that. [LB752]

SENATOR SULLIVAN: Any other questions? Senator Groene. [LB752]

SENATOR GROENE: How do you keep track of your schedule? Every one of these things they got you on it. How many different commissions and meetings do you go to? [LB752]

MIKE BAUMGARTNER: I go to a fair amount, but I think that they are important to the work that the commission is invested with. And so... [LB752]

SENATOR GROENE: Do you have a support staff that keeps you in the right direction... [LB752]

MIKE BAUMGARTNER: I do. I do. [LB752]

SENATOR GROENE: It's been my experience, where I'm from, that if you can pass a drug test and show up 10 minutes early, you got a job. And if you can get it CDL or if you can get it...pick up a welding mask and know how to use it, you've got a job. Is the problem that we don't have a pathway to it, or we don't have enough people can pass a drug test and show up 10 minutes early? That seems to be what my employers out there tell me. [LB752]

MIKE BAUMGARTNER: Well, there are a fair number of people who could pass a drug test, but couldn't read the application. Or who don't speak English well enough, or who don't have the skills necessary to get through a six-week CDLA program. So getting those people into the adult basic education needs and to a GED which then opens those doors. [LB752]

SENATOR GROENE: So that goes back to Senator Sullivan's question. How do you...what are you trying to do, get those...to let those people know that there's opportunity to learn English and get a GED? [LB752]

MIKE BAUMGARTNER: Yes. [LB752]

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SENATOR GROENE: That's what this... [LB752]

MIKE BAUMGARTNER: Well, that's not the only thing that this is about. This is about what the state's efforts are on the field, and how we serve them, and how we're measuring the success, and what other states are doing that would help us do it better. And ensuring that we have benchmarks that are set up. The state is looking across all the efforts that NDE does, that the Department of Labor does, the Department of Corrections, HHS, organizations that are working to provide certifications that are helping employers find staff who meet work force needs. Bringing together a lot of efforts that are already there. [LB752]

SENATOR GROENE: Thank you. [LB752]

SENATOR SULLIVAN: (Exhibits 4, 5, 6, 7, 8, 9) Thank you for your testimony. Anyone wishing to speak in support of LB752? I'd like to read into the record these letters of support that have been submitted. Greg Adams, president and executive director of Accelerate Nebraska; Elisabeth Hurst, director of advocacy for the Nebraska Hospital Association; Andy Bradley, executive vice president of Goodwill Industries, eastern Nebraska and southwest Iowa; Doug Koebernick, Inspector General of Corrections; Dennis Baack, executive director of Nebraska Community College Association; and David Brown, president and CEO of Greater Omaha Chamber of Commerce. Anyone wishing to speak in opposition to LB752? Or in a neutral capacity? Senator Crawford. [LB752]

SENATOR CRAWFORD: I would like to thank committee members for your questions, and thank those who have testified for talking about what the task force would mean to them in their variety of roles. As director Baumgartner mentioned, we did have some task force meetings with some people who were interested in this issue over the interim. And I would just say when we had people around the table who were from some of these different backgrounds, who deal with adult students, it was very helpful...they found it helpful to talk about what was happening in their own organizations, and so people could learn from one another. And I think a key issue of the task force is to recognize that we have multiple agencies that are trying to work on work force issues, that may be trying to figure out how to best bring these adult learners in. And so by having them meet together regularly, and have this opportunity to work together, hopefully we can make sure that we are coordinating efforts, reducing duplication, learning from one another so that we can all move forward effectively and so the different programs that we have are coordinated. And again, one of the issues and the efforts of thinking about career pathways and these kinds of task force, is to try to align different programs, so how can we make sure that for example, we were talking about someone who comes in for English language learning program in south Omaha. How do they get from there to CDL training? What are the ways that we need to make sure that students are getting from one step of adult education to the next, where do they

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fall through the cracks, and are there areas where we could really help get them into the work force better if we had better coordination, better information, better education across everyone who is helping to serve these students? And I think again, they are different than some of our other education efforts because they come to us from such a wide variety of backgrounds and ways. We can't just look and say, oh, here's how many people are going to be 5 years old 10 years down the road, and predict who that is. They come to us from various ages and various places, and so being able to try to establish good best practices of serving those students and serving our work force needs I think is what the task force will be doing. That coordination, learning from one another, setting up best practices that everyone can learn from, as opposed to having every agency have to figure out the best practices and doing things on their own when we may be serving very similar kinds of adult learners. [LB752]

SENATOR SULLIVAN: Thank you. Any other questions for Senator Crawford? Thank you very much. [LB752]

SENATOR CRAWFORD: Thank you. [LB752]

SENATOR SULLIVAN: This closes the hearing on LB752. We will now move on to LB906, to be introduced by Senator Lindstrom. Welcome. [LB752]

SENATOR LINDSTROM: Thank you. First time in education. Good afternoon, Madam Chair and Education Committee members. My name is Senator Brett Lindstrom, L-i-n-d-s-t-r-o-m, representing Legislative District 18, out of northwest Omaha, and I'm here today to present LB906. LB906 would provide a tuition reduction of 30 percent for all Nebraska law enforcement officers in our university, state, and community college systems. The waiver is limited to law enforcement officers in satisfactory standing with their agency and work at least 100 hours per year. It is my intent with LB906 to focus on those police officers in pursuit of a degree, and not for those choosing to take a course out of interest or recreation. In some agencies, promotion requires advanced degrees, and this will encourage police officers to continue their education. Continued education of law enforcement is sound policy for Nebraska communities. First, LB906 would incentivize our police officers to further their education, as the demands and duties of police officers are evolving. One challenge police officers face is an increase in diversity. A reduction in tuition would incentivize officers to become better trained in language and cultural aspects of the community members. Secondly, technology changes police officers day to day activities. As police officers are continually responsible for more administrative work, continued education would allow law enforcement the skills to transition into administrative positions in our law enforcement agencies, that way, our patrol officers remain able-bodied and capable of the physical demands of the job. There will be a few law enforcement officers testifying in support. Thank you, and I will take any questions that you have. [LB906]

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SENATOR SULLIVAN: Thank you, Senator. This 30 percent tuition waiver, the cost of that would be borne by each institution receiving those students, is that correct? [LB906]

SENATOR LINDSTROM: As far...yes, that is correct. [LB906]

SENATOR SULLIVAN: Okay. And then in terms of determining whether the officer is in good standing or not, that would be incumbent on the institution to follow and find out from their place of employment? [LB906]

SENATOR LINDSTROM: Yes, that is also correct. [LB906]

SENATOR SULLIVAN: Okay. All right. So I get...but your bill requires that they are on the path to getting an associates or a bachelor's degree, right? [LB906]

SENATOR LINDSTROM: Right. [LB906]

SENATOR SULLIVAN: Is there a lot of need for that? [LB906]

SENATOR LINDSTROM: When looking at this, you know, this is something that kind of was brought to us by some police officers. And yeah, there is a need for further education with moving up in the agencies, and so this is just one way that we're able to do that, with the 30 percent reduction in tuition. [LB906]

SENATOR SULLIVAN: Okay. All right, very good. Any other questions for Senator Lindstrom? Senator Schnoor. [LB906]

SENATOR SCHNOOR: You may have said this, and I didn't catch this. But the degree or courses that they're pursuing, does that have to be degrees associated with their employment. [LB906]

SENATOR LINDSTROM: We would hope that they would be taking classes and achieving a degree that would help them in their job, not just...I don't know... [LB906]

SENATOR SCHNOOR: And I guess, you know, if there's a police officer testifying, they may be able to answer that as well. [LB906]

SENATOR LINDSTROM: Yeah, yeah. [LB906]

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SENATOR SCHNOOR: As to, you know, they're just not going to take another class, they're going to something to help promote them in their job. [LB906]

SENATOR LINDSTROM: We would hope so, yes. [LB906]

SENATOR SCHNOOR: Okay. [LB906]

SENATOR SULLIVAN: Any other questions? Will you be here for closing? [LB906]

SENATOR LINDSTROM: Yeah, I can stick around. [LB906]

SENATOR SULLIVAN: Okay, very good. Okay. Those wishing to speak and testify in support of LB906. Welcome. [LB906]

JOHN FRANCAVILLA: (Exhibit 1) Welcome. Senator Sullivan, members of the committee, thank you for giving me the opportunity to speak to you today. My name is John Francavilla, J-o-h-n F-r-a-n-c-a-v-i-l-l-a, and I'm the president of the Fraternal Order of Police. I represent 51 law enforcement agencies and over 2,800 members here in the state of Nebraska, which include many officers within your own local jurisdictions. The reason we're here today to speak in regards to this LB906 is to show our support, because we've seen that law enforcement is ever changing. From the time that I started, in 1983, until today, technology is now the rule in law enforcement. It is no longer pen and paper, but computers, mobile data terminals, understanding DNA elements of the crime. Throughout our career, things will change. I have given you written testimony, please take the time to look at it, and I want to touch base. And I know you've been here for a long time already. Currently in law enforcement, we are trained to enforce laws in Nebraska, and while doing so, that we can be dispatched to an accident, investigate a criminal act, write search warrants, testify in court, render fees...first aid, excuse me, or teach your children in a classroom environment with our DARE programs. Our officers are taking on new tasks, we are no longer just out on the streets arresting criminals, but we are stepping out into our communities. One thing that has come into play with our law enforcement officers is college education. While most agencies do not require it as an applicant, many do require it in the promotional fields. So in order to advance in law enforcement, we must have a college education. Currently, many of the agencies require at least an associates degree or equivalent hours, and many are not requiring bachelor's degrees to move past the rank of sergeant into what we would consider our senior command staff. If you look at a lot of the agencies too, our senior command staff are now pursuing not only their bachelor's degrees, but master's degrees. With this bill, just one thing that we did notice, is that there was a fiscal note attached to the bill. And we tried to find out how much this would effect the local institutions that would assist us with this. I spoke to John Wells, president of the Omaha Police Officers Association. Last year, the

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Omaha Police Department, who employs approximately 800 sworn police officers, used \$11,000...approximately \$12,000 in college reimbursement through their agency, and the La Vista Police Department, who currently have 35 officers working, used just under \$2,000. I brought these two agencies up...I am a retired Omaha police officer, and I currently work for the city of La Vista, their property and evidence technician, so my experience would be through those agencies. I have worked for the Department of Corrections prior to that, and again, the educational benefits that we can provide to our officers not only will enhance the officers, but also enhance our profession. And with that, I will stand for any questions. [LB906]

SENATOR SULLIVAN: Thank you, Mr. Francavilla. So did I understand you correctly that your associations do have a tuition reimbursement program? [LB906]

JOHN FRANCAVILLA: Currently, what happens with some of the agencies...some of our larger agencies, they have a tuition reimbursement where if the officer attends college courses then the department or their city can reimburse them for those funds. So if this bill were to pass, and the officers would get the tuition reimbursement or reduction, that would also reduce the cost to our city and county agencies, so the moneys that they pay out. So there would be a savings to our officers, they put the money out up front, and then to our employers, as they are reimbursed any of those officers for those classes. But not all agencies provide this. [LB906]

SENATOR SULLIVAN: Okay. Can you substantiate or emphasize the importance of holding out police officers for this particular program as opposed to any other profession? [LB906]

JOHN FRANCAVILLA: As I've heard the testimony from some of the other groups this morning on the other bills, it's important as you can see for everybody for an education. But in our field, it's ever-changing. I believe that it's very important that we have it for law enforcement officers, because the services that we're providing back to our communities, and the requirements of our communities and now our employers asking us if you want to improve yourself, you have to have these degrees. It's no longer and optional requirement, but it's almost mandated as we start to look at it. So we feel that it is a need for some assistance in this. [LB906]

SENATOR SULLIVAN: Should there be some absolute requirement...it was a little unclear in the introducer's comments, that the degree should have a direct relationship to their career? [LB906]

JOHN FRANCAVILLA: I don't believe that...well, if you were to look at it and say you have to have a criminal justice degree, you're taking care of some of the basics of law enforcement. But when you start to look at our command staff, when they're running multimillion dollar budgets, the logistics, they're dealing with HR issues. So now we really need business administration and

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those type programs. So we have to step away from the law enforcement-related fields, and really look at the business-related fields, because that's what our profession is becoming once we get to those senior management positions. [LB906]

SENATOR SULLIVAN: Okay, thank you. Any other questions? Senator Groene. [LB906]

SENATOR GROENE: Thank you, Chairlady. How can you be in retired from the Omaha Police Department? [LB906]

JOHN FRANCAVILLA: The Omaha Police Department, in 2010, changed some of the requirements. Originally, it was 45 years of age, and they have bumped that up, as well as reduced the pension. So you're seeing most guys go to about age 55 for full benefit. [LB906]

SENATOR GROENE: Now? [LB906]

JOHN FRANCAVILLA: Yes, sir. [LB906]

SENATOR GROENE: All right. So what's to stop somebody from taking a degree, retiring, and then we paid 30 percent, then go to law school? [LB906]

JOHN FRANCAVILLA: There's nothing to ever stop anyone, regardless of those retirements. As a matter of fact, you'll see more people stay for the retirement benefits with that agency, as opposed to like a North Platte or a Grand Island, where they might leave the agency to go to a larger one where there's better benefits. They'll still use those same college courses. When you start to look at it, there's a lot of retention that we'd like to see. And we believe that by being promoted within your agency and having those educational benefits to assist with that, they will stay there and they'll be the leaders in those agencies. [LB906]

SENATOR GROENE: Don't get me wrong, I'm not trying to disparage the good officers, the ones that want that career. But there's always that one, though. [LB906]

JOHN FRANCAVILLA: In every field, sir. There are people will leave, regardless of what we do for them. [LB906]

SENATOR GROENE: They'll take advantage of something. [LB906]

JOHN FRANCAVILLA: Yes. [LB906]

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SENATOR GROENE: Not how it was intended to do. [LB906]

JOHN FRANCAVILLA: Right. Correct. [LB906]

SENATOR GROENE: Thank you. [LB906]

SENATOR SULLIVAN: Any other questions? Thank you for your testimony. [LB906]

JOHN FRANCAVILLA: Thank you. [LB906]

SENATOR SULLIVAN: Welcome. [LB906]

JEREMY KINSEY: (Exhibit 2) Good afternoon, thank you. Senator Sullivan and members of the Education Committee, my name is Jeremy Kinsey, that's J-e-r-e-m-y, Kinsey, K-i-n-s-e-y, and I'm here speaking to you also in support of LB906. I am the vice president of the Nebraska Fraternal Order of Police, and I am also a captain with the La Vista Police Department, where I've served for the last 22 years. I began my journey in law enforcement shortly after high school, where I served as a law enforcement specialist in the United States Air Force. It was not impressed upon me then the importance of having a college degree or experience in higher education, as in most agencies, a degree or some college was not required. Over the years, we've seen that many cases it's not a requirement for the entry-level officers or deputies, but to move up the career ladder, it's most always required or highly encouraged. I was fortunate enough to be promoted to captain in 2015, but it wasn't until 2014 that I finally completed my bachelor's degree, which took me 20 years to complete. I was not a traditional student, I took classes when I could, where I could. Between the challenges of raising a family, working midnight shifts, the unpredictable schedules of police work, and the every-increasing financial cost of college I was able to muscle through it and complete my degree in time to be competitive for the promotion process. Today, I see the same scenario playing out in my own son, Andrew. After graduating high school in 2011, he joined the military, and just last year began his career as a police officer in Omaha. He too has aspirations to move up in rank as his career progresses, but he'll need to have that degree, and he'll need to be able to afford it. In 2012, I was elected to the Papillion-La Vista Community School's Board of Education, and currently serve as the board president. And I hope to make it to the meeting tonight, if the highway will let me at six. So you have to excuse me, I'm leaving right after this. In these few short years of being involved in education, I have gained a respect and even more of an understanding of how vital a higher education plays in making an organization more professional. I've learned that while two-thirds of high school graduates pursue traditional college after graduation, only about one-third of them actually go on to complete that four-year degree. That leaves two-thirds of them to enter the work force. And typically, where we in law enforcement garner many of our applicants. In a recent study

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conducted by the Michigan State University, professors studied how education impacts police performance, and numerous positive impacts education has on officer's ability and performance. Some of these personal benefits of education, learned in the research, are increased skills with decision making and problem solving, greater aptitude for innovative thinking, more proficient in technology, improved communication skills, fewer formal complaints, less likely to be involved in unethical behavior, and less likely to use force as a first resort. While these are just a few of the benefits I mention that are determined by the research, I think we can all agree that the better educated law enforcement community it's a positive. LB906 provides an opportunity for some in our profession that simply may not have the means to pursue a college degree. LB906 is not a discount for police officer looking to take some college classes, but it's an investment in the officer and the community that he or she may serve, an investment in the profession of law enforcement, and an investment in our great state of Nebraska. I urge this committee to support LB906 and advance this bill. Thank you very much for your time, and I'll stand for any questions. [LB906]

SENATOR SULLIVAN: Thank you, Mr. Kinsey. Any questions for him? Thank you, and drive safe on the way back to the school board meeting. [LB906]

JEREMY KINSEY: Appreciate it. Thank you. [LB906]

SENATOR SULLIVAN: (Exhibit 3) Anyone else wishing to speak in support of LB906? I'd like to read into the record a letter of support from Nathan Richards of Omaha, Nebraska. Anyone wishing to speak in opposition? Or in a neutral capacity? Senator Lindstrom. [LB906]

SENATOR LINDSTROM: Thank you very much. Hopefully that was one of the quicker ones you'll have today. Just a special thanks to Senator Pansing Brooks for allowing me to bring this bill. So I'll keep it at that, and I urge you to advance LB906. Thank you so much. [LB906]

SENATOR SULLIVAN: Any questions for him? Thank you very much. [LB906]

SENATOR LINDSTROM: Thanks. [LB906]

SENATOR SULLIVAN: This closes the hearing on LB906. We'll now move on to our final bill of the day, LB930, with Senator Scheer. And we may have to stand at ease and have a phone call sent to find him. Here he is. We're waiting for you, Senator. All right, Senator Scheer. [LB906]

SENATOR SCHEER: (Exhibit 1) Thank you, Chairwoman Sullivan and esteemed colleagues on the Education Committee, my first time here this session. So thank you very much for the

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invitation. And I would like to introduce...my name by the way is Senator Jim Scheer, J-i-m S-c-h-e-e-r, representing District 19 in northeast Nebraska, specifically Madison and a portion of Stanton County. I am here to introduce LB930, which has to do with a standard college admissions test, and for simplicity, I'm just going to call it the SAT. It could be the SAT, it be a number of different ones, whatever the Department of Education chose to utilize. But replacing the NeSA 11th grade test with a college admission test...wow...so that...we have had a pilot program going for about five years. Senator Avery, a previous member of this committee introduced and found funding for us, and I think it was a four-year and then it was extended one year I believe under Senator Sullivan's committee a year or two ago, and I believe this is the last year. The intent of the state board back at that point in time was to see if we had all students in individual districts take the standardized test, if it would help encourage and increase the number of students that would not normally be looking at higher education in their future, once completing high school. And for everything that I've seen, that has happened. The second point would be, if any of you have talked to teachers, and perhaps Senator Kolowski can speak to it as well, the students taking the NeSA in 11th grade, the first thing they'll normally ask the proctor or the teacher that's in there while they're taking it is does this hurt me, does it help me? And the answer is no. And we're trying to take this test and use it for statistical purposes, and it just doesn't work, because there's really no care...and Senator Baker as well. Students just don't care about the outcome. I believe almost all 11th graders understand the importance of an ACT or an SAT or a college entrance test to the future of their lives. It does not add on, in fact, it just replaces, but it gives the kids a reason to put forth effort in taking the test. Hopefully to improve their lives and their education and find the future that would provide them the scholarships and perhaps additional grants upon taking that that will get them additional education as they move forward in their adult lives. The fiscal note, I'm not exactly sure. I'm not going to argue with that, I would just note that if we're going to be honest, we have a pilot project, although done this year, that's costing x amount of dollars. We are funding the NeSA test right now, that's costing x amount of dollars. So what I'm envisioning is this would simply cover the expense between whatever...the test that the department chose and the expenses that we're already incurring. Now I realize that they were...based on the notes below, they weren't sure how much that would relieve the state by one test or not, but it's going to be something. It certainly is not going to be the total cost. I will note that in some quick discussions with some of my former colleagues at the department, they were looking at two specific changes, and I have not problems with either of them. And perhaps you folks have already looked at it, and I'll try to beat you to the punch. First of all, I do think that it does have merit to have one state contract administrated by the Department of Education, rather than having each district responsible for handling the purchase and the securing of the tests. And secondly, we have put an implementation day for the 2016, 2017 year, and realistically, that's probably not even possible. By the time you send out a request for proposals, even if the bill was on a consent agenda and assigned, and I don't know that you...it classifies itself as an A bill or a emergency clause. You know, I don't think they could get it done by July 1 in this coming year, so amending the bill to show the year 2017, 2018 as the

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implementation year for the process to start. So with that, I would be more than happy to answer any questions. But the intent is not to add another test, it is simply replacing it with one that the kids find really more beneficial and useful, and helpful to their...hopefully, their careers. [LB930]

SENATOR SULLIVAN: Thank you, Senator Scheer. One question that I had, and I think maybe you misspoke as you were talking about the test SAT versus ACT. So the question is we've been comfortable using ACT in the pilot project, is that the go-to replacement or is their some question... [LB930]

SENATOR SCHEER: Well, you know, I would assume that would be the case, but the bill is written so that they can use really either or. I'm not sure that it probably would have been legal to specify a particular brand. I mean, you know, we don't purchase Caterpillars, we just purchase something that's yellow--Caterpillar yellow, and defined it like such. So we can define it however we like, but the bill itself leaves that up to the Department of Education. Certainly my impression would be they've been using that and it's been successful. They quite probably could do that, but I'm not trying to tie their hands in order to do so. [LB930]

SENATOR SULLIVAN: You also indicated that in administering the NeSA test for 11th graders, that's been covered by the operating budget for the department. So is it conceivable rather than capturing some of the lottery dollars that we... [LB930]

SENATOR SCHEER: Absolutely. I guess that's what I was getting to at the financial aspect. I only call for the difference between their current costs and whatever the new cost might be. And what you're seeing, I think reflected on the note, is the cost of the entire test for the 25,000 students. [LB930]

SENATOR SULLIVAN: Okay. [LB930]

SENATOR SCHEER: And I would also note that I think the price that they're using...and again, I truly am not arguing with that, but it almost appeared they were using the per person cost that if you were going to, you know, pay for your child to take the test at \$50, that's about what they used when you're providing the test for 25,000 students. I've been told, not a specific amount, but that it would be considerably less expensive than what we're looking at from that vantage point. So my hope is that between the cost of the pilot, our current costs that we are utilizing in NeSA, that quite probably may not have any additional expense. But if we do, those funds would come out of the Innovation Fund. [LB930]

SENATOR SULLIVAN: Okay. Senator Krist. [LB930]

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SENATOR KRIST: Thank you, Senator Sullivan. You're too kind, because I think that is way overpriced, based upon a contract that could be let. And I'll make a few other comments while you're sitting in the chair, because I'll use you as a sounding board. I have a bill coming up that recommends some testing, and the pushback from the educators is don't tell us how to educate your kids. Well, my pushback to that is if we're preparing them to go to school and college, then lets prepare them to go all the way. And ACT or SAT is the way that they need to go to compete for the kinds of scholarships that they need in the institutions that they're going to. So times are changing, and I think as much as people will say we're spending too much on education, as long as the product is out there and we're teaching those skills or those individual knowledge base that they need to succeed, then we should look at testing that way. I think this is a great idea. I also think civics testing is a great idea, and that will come before this committee shortly. But to say simply that in neutral capacity it's another mandate, or don't tell me how to teach your kids, I don't think that's an acceptable alternative. So I applaud you bringing it forward. [LB930]

SENATOR SCHEER: Well, thank you. From my vantage point, I mean, it is mandated, but it's a replacement I guess of a mandate to the extent we're already testing. And it wasn't on the behalf of the state of Nebraska or the Department of Education, it was done federally. We're required to test on the 11th grade from a federal perspective. And if we're trying to get any bang for the buck of those costs, kids ought to at least feel like they've got some skin or some benefit they're going to get from trying to do as well as possible on the test. And right now, that's just not the case. I don't think any instructor in a high school facility would tell you that those kids...sometimes even the ones that are very, very bright, if they've got something else they have to get finished before the next period, maybe filling in dots, because they've already done the ACT and they've already got enough to get accepted to wherever they're going. So this really is a moot point to them. They don't worry about doing very well. And I've talked to both kids and staff members, and I'm not trying to add another layer, I'm just replacing it and trying to make it actually more meaningful than what we've got. [LB930]

SENATOR KRIST: The other comment I just want to get into the record is I think that if you tell a young person who maybe initially is not motivated to go to college that they have to take an SAT or an ACT to qualify, they don't want to take the test, they've just eliminated their options in the future. This sets an option there for the future, because they've already taken the test and they have a read back on how they might compete. Allergies to taking tests can keep people from doing great things as well. [LB930]

SENATOR SCHEER: Well, I would respond to that...the other thing, Senator, is there are probably more instances than we would care to think that there are families that although they may have wanted their child to take that test, when you are doing it on an individual basis at the \$40, \$50, \$60 per test, perhaps just can't afford that as a luxury for their child to see how well they might be able to do. And this puts all the children in 11th grade on the same even keel.

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Everybody gets to take the test. How well they do is up to them, but I think they all realize that there's some benefit to taking the test. [LB930]

SENATOR KRIST: Thank you, Senator Scheer. Thank you, Chair. [LB930]

SENATOR SULLIVAN: Senator Kolowski. [LB930]

SENATOR KOLOWSKI: Thank you, Madam. Senator Scheer, thank you for bringing this forward, it's got a lot of great pieces to it. I'm glad to see it from that perspective. The testing locations will be something that will have to be looked at, because kids go to now to x high school, or y middle school, or to a community college, or wherever they're testing, you know, across the state. And how they would do that would have to be worked out, if ACT was chosen as the Midwest favorite test. [LB930]

SENATOR SCHEER: Well, I don't think that would be as big a hurdle as you think. In some of the states that I'm aware of, they would take the test much like we're administrating the NeSA test. They would be in the classroom, you would have teachers that would be proctoring, so they would just simply take the test in house, exactly where they are, and essentially the same time mechanisms that are currently allotted for the NeSA. So I don't think there would be a lot of reworking of scheduling in order to facilitate that in house. [LB930]

SENATOR KOLOWSKI: I'm sure that's true, but they have their particulars about test security and all the rest that they go through as they test kids. [LB930]

SENATOR SCHEER: Absolutely, but they are doing this in several states already, I know ACT is, there might be others. Again, I'm not trying to point one way or the other, but this is not inventing the wheel, this is just using somebody else's wheel and thinking that we're going to get a big bang for the buck. [LB930]

SENATOR KOLOWSKI: The curriculum results from that would be very beneficial to a district. How are our kids doing in x, y, or z, you know. Be it science or mathematics, or English language usage, or whatever it might be, there's a lot of benefits from that perspective. Another situation, in some districts they use their educational foundations and get help or full payment to their testing processes if they are using something like the ACT. That would let them free up that money to be used elsewhere in the district if the state was helping with these kind of testing opportunities for kids. And it's a great standard because it's equal, you're saying every student would have to take it in your write up. And that's important because then we have more of an even playing field. As I've worked with the World Herald over the years, I've said when you put a

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ACT average in the paper listed next to Ralston High School, Millard West High School, whatever else was listed, they never put the percentage of kids that took it, they only had the composite score of the average of those kids taking it in that school district. Some districts might have had 50 percent of their kids take it and look really good, others might have had 96 percent of their kids take it and been down a little, but they had more participation, pushing kids, asking them to stretch themselves. So there's lots of spin offs with this that have great potential, and I appreciate your bringing it forward. And I hope we can see the light to move ahead on this, because it's got great potential. [LB930]

SENATOR SCHEER: Thank you, Senator Kolowski. I might add in response to that that one of the nice benefits...and I've not been obviously on the state board of education for a few years, but one of the things that the ACT in particular used to be able to do, and I'm assuming still does, it will give the participants that take the test somewhat of their college readiness. It does produce that so that they will have a better understanding where they might need to work on. And especially given that their junior year, their senior year, getting themselves up to where the level they need to be in some of the areas that they might be deficient in. [LB930]

SENATOR SULLIVAN: Senator Groene. [LB930]

SENATOR GROENE: Thank you, Chairwoman. How many states mandate this already? [LB930]

SENATOR SCHEER: That utilize the ACT for the federal requirement? [LB930]

SENATOR GROENE: That make every student take it. [LB930]

SENATOR SCHEER: There's a number back east...and I would say probably 10 or less. I will tell you this, Senator Groene, there are...I know there's at least someone from the ACT that is here, and certainly would be more knowledgeable in representing those numbers accurately. I would be giving you a best guess, and that's probably not the best for you right now. [LB930]

SENATOR GROENE: And they always...Senator Kolowski said you always see in the paper where Nebraska rates on it. If we make everybody take it, what are we going to rate, because now we got... [LB930]

SENATOR SCHEER: Well, you know, I don't do this for a rating proposal. [LB930]

SENATOR GROENE: I mean, but that's what you see. [LB930]

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SENATOR SCHEER: Sure. But again... [LB930]

SENATOR GROENE: It would be more honest. [LB930]

SENATOR SCHEER: Well, it would be honest to the extent, as Senator Kolowski said, we are all taking it. So if you want to...if we're using it from a comparison basis, then I think in fairness, you would have to compare against those states that are again providing that to all their students in 11th grade, not to those that may only provide...you know, each individual decides that they want to take it, so you may have a 70 percent take it. And I'm not saying that 30 percent all would be either lower or above, but you do get different results when you uniformly test everyone across the board. So certainly if you're looking for comparison you could, but you would have to utilize that with states that are doing the same thing. [LB930]

SENATOR GROENE: What is the difference? Every test has a purpose. ACT has a preparedness for the colleges to find out that student can fit into their student body. What was the purpose of NeSA? The questions on it... [LB930]

SENATOR SCHEER: Well, first of all, Senator, you have to go back to the fact that the NeSA was a result of the federal legislation No Child Left Behind. We had to test a minimum of three grade levels, 4th, 8th, and 11th grade. And it was also instituted back in about 2008 or 2009, they were going to design specific tests. They had two consortiums, one on the east coast, one on the west...and I forget their acronyms or the names right now. And they were going to develop an assessment that each state that participated in that Common Core Proposal would have to take either one or the other. As you might recall, Nebraska never decided to participate in the Common Core Program, and so because of that, the department had to develop their own set of assessments. And so we on a state level decided to develop our own assessments, rather than trying to find one on a national basis, because most of those were contracting, getting smaller, because of the fear that somebody else was going to be doing the large one. [LB930]

SENATOR GROENE: But back to what Senator Kolowski said, does the ACT test tell us if we're doing good in science, but doing good in civics, doing good in English language skills? What...it breaks it down? [LB930]

SENATOR SCHEER: Yes, and so you'll get composites in each one of those levels, and then an overall number that you would know...as a composite. You know, you might do very, very well in mathematics and somewhat less in your language arts, any maybe have stellar back in the science level. But it would be... [LB930]

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SENATOR GROENE: Point it right back to each school district? Thank you. [LB930]

SENATOR SULLIVAN: Yes, Senator Pansing Brooks. [LB930]

SENATOR PANSING BROOKS: Thank you, Madam Chair. I was...thank you for bringing this forward, Senator Scheer. I guess I'm interested in what it is that...the money comes from innovation, is that right? Innovation dollars? [LB930]

SENATOR SCHEER: Well, yes and no. As we had talked earlier, and I think you had left the room for a few minutes. [LB930]

SENATOR PANSING BROOKS: I'm sorry, I had (inaudible). [LB930]

SENATOR SCHEER: Oh, no, that's fine. The innovation funds are to cover the additional costs above and beyond what we are currently spending. And so the number you're seeing there are the total costs for the approximately 25,000 students. The department is not sure exactly, in a very short period of time, how many dollars they would be able to facilitate, not to have to use for that 11th grade NeSA test. But once that's established, what those costs are, that would come off of that. So my hope is that it should be fairly close. It may not cover it all, so I wanted to make sure that we had a funding source, other than general funds, that would facilitate any additional costs that might be incurred by switching to that. [LB930]

SENATOR PANSING BROOKS: Okay. So basically, the dollars come away from innovation to help pay for the testing, is that correct? [LB930]

SENATOR SCHEER: There's a possibility that some of them...some dollars could, but not all dollars. The total project would not be funded by innovation funds, it is just the difference between our current expenditure for our 11th grade NeSA versus what the cost of switching to a...for the lack of a better term, an ACT test. And if using what the numbers in front of you, they're saying that an ACT test could possibly cost \$1.2 to \$1.5 million. We may be spending \$1 million right now on our NeSA test for 11th grade, so the net cost so to speak that would be coming out of innovation would be the difference between those two. [LB930]

SENATOR PANSING BROOKS: Okay. All right, I just am interested, and I think...I have a daughter that just graduated last year from high school, and so we were part of the whole testing... [LB930]

SENATOR SCHEER: Lincoln was one of the pilot programs, yes. [LB930]

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SENATOR PANSING BROOKS: Yeah so, and I think that the ACT testing was advantageous for many people at Lincoln Southeast, at least from what I was hearing. So that was positive. Again, I don't know exactly, because it confuses me a little bit, and maybe we can talk to other people that come up, about what the NeSA standards are. And of course, we hear about teaching to the test, and if people are teaching to that test and then all of a sudden we're switching gears and now have to teach to the ACT... [LB930]

SENATOR SCHEER: Well, no, that wouldn't be the case, Senator. Right now, our NeSA tests are designed specifically to Nebraska standards. [LB930]

SENATOR PANSING BROOKS: Right. [LB930]

SENATOR SCHEER: And going back to either adopting or not adopting the Common Core, Nebraska chose to develop its own set of standards for 11th grade...well, really for all grades. So the ACT is not necessarily aligned exclusively to the Nebraska standards, it is more of a national larger birth of knowledge base, that will give them a better idea from a college perspective where they are at. So it's not why did we do the NeSA, the NeSA was developed exclusively to mirror the state standards that we had implemented as a state level, going from...we went to our state standards and a testing program that was called Stars to implementing our own testing program, which was the NeSA. [LB930]

SENATOR PANSING BROOKS: Okay. So there were three tests originally, and now there are going to be two NeSA tests and then the ACT sort of finally as a tangential... [LB930]

SENATOR SCHEER: Correct. [LB930]

SENATOR PANSING BROOKS: And we're going to get rid of that third test? [LB930]

SENATOR SCHEER: Correct. [LB930]

SENATOR PANSING BROOKS: And so I presume that there was a lot of testimony when those three tests came into being. And that there was some value to teaching and comparing what happened along the path for these kids in 3rd, and 8th, and 11th grades. [LB930]

SENATOR SCHEER: Well, this will provide you similar information, just because the state does not dictate the questions and the format, it still will give you the parameters of how our students are moving in the direction of having a base knowledge of either English, or math, or sciences. [LB930]

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SENATOR PANSING BROOKS: Okay, I'll just wait until I here some more. Thank you, Senator Scheer. [LB930]

SENATOR SULLIVAN: Thank you. Senator Schnoor. [LB930]

SENATOR SCHNOOR: With the No Child Left Behind, we have to test in 3rd, 8th, 11th. [LB930]

SENATOR SCHEER: 4th, 8th, and 11th. [LB930]

SENATOR SCHNOOR: Okay. Now we're going to substitute 11th grade NeSA with ACT testing. Are there any problems with this federal mandate in doing that? [LB930]

SENATOR SCHEER: No, it's been approved in several other states. In fact, I think I talked to the commissioner a couple weeks ago, and it was either 18 or 28 other states are already...have received the waiver to utilize the ACT. So it shouldn't be a problem. [LB930]

SENATOR SCHNOOR: Okay. All right. [LB930]

SENATOR SULLIVAN: Senator Kolowski. [LB930]

SENATOR KOLOWSKI: Jim, what grade level? Were you primarily thinking of one grade level, because it can't be given at... [LB930]

SENATOR SCHEER: Well, right now this is just speaking towards the 11th grade. Now, that's certainly something that if the department sees benefit in doing the Compass or the 8th grade ACT component versus continuing to promote their own or develop their own, there are other more standardized tests that they certainly could do. But this does not address either of those. [LB930]

SENATOR KOLOWSKI: The assistance to a district though, with its curriculum coordination, becomes paramount. It's really a great tool from that perspective. [LB930]

SENATOR SCHEER: Sure. Absolutely. [LB930]

SENATOR SULLIVAN: Senator Baker. [LB930]

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SENATOR BAKER: Thank you. Senator Scheer, first, just to have comments, because they've got nothing to do with anything. But I assume that students will still continue to take the ACT multiple times to get the best score they can. [LB930]

SENATOR SCHEER: Well, certainly a student can take it as many times as they want, but at least what we're doing is giving every student across the state an opportunity to take it at least once. [LB930]

SENATOR BAKER: Yes. I was making a point more than I was asking a question there, but my question is...and I assume Commissioner Blomstedt is coming up soon. Do you know... [LB930]

SENATOR SCHEER: Well, I think he's here. I'm not trying to assume he's in support or not. [LB930]

SENATOR BAKER: Do you know...have you had the conversation with him, will this suffice? Will this meet the requirements of a test for the 11th grade? [LB930]

SENATOR SCHEER: It does in several other states that are received... [LB930]

SENATOR BAKER: Okay. Well, I've always been for that. If we can clear that hurdle, then you know, I think it's a good idea. [LB930]

SENATOR SCHEER: Yeah. The ACT at 11th grade has been in several waivers that have already been approved from the federal department. [LB930]

SENATOR BAKER: Thank you. [LB930]

SENATOR SULLIVAN: Will you be here for closing? [LB930]

SENATOR SCHEER: I will. I guess I'm glad I knew what I talking about today. Thank you very much. [LB930]

SENATOR SULLIVAN: All right, we'll now here proponent testimony on LB930. Welcome. [LB930]

BOB EVNEN: Madam Chair, thank you. Members of the committee, my name is Bob Evnen, B-o-b E-v-n-e-n. I'm pleased to be here to testify in support of LB930. I am here today in my

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capacity as a private citizen of the state. I'm pleased to say that I was a member of the state board of education when we, in cooperation with the Unicameral, began the pilot study that is culminating now in LB930. And in my service on the state board, I was the chair of the state board subcommittees on standards and the state board subcommittee on accountability. So I thought I would provide a little bit of background to this, that hopefully will answer some of the questions that have been posed here. When we began this pilot, we asked the ACT to do a match study, and the purpose of that was to see whether or not the ACT test was aligned well with our state standards. And as a result of that match study, and the work within the department with ACT, we concluded that there was a very strong intersection, if you will, between our standards and the ACT test, in the areas that we're looking for here. There are three areas: it's reading, mathematics, and science. So those three NeSA tests in 11th grade then would be not administered any longer, not developed any further, and we would instead use the ACT for those three subject areas for the vast majority...for 99 percent of our students. And the one percent that we would not be using it for are students who require the use of alternative testing. So we found that there was a very close alignment between our state's standards in those subject areas and what the ACT tests. The second thing we wanted to do, and this was the purpose of the pilot, in large part was to see how closely the ACT, or whether the ACT, was correlated with the results we get from the NeSA test. So you have eight pilot districts, and these pilot districts that have been running the test for the last few years...I thought it was three years, maybe it's been longer. These eight districts across the state represent districts of different sizes, in terms of student population, and districts in different geographic locations across our state. We wanted to get a cross section of school districts, and eight districts stepped forward to pilot the ACT. During that period of time, they've been giving both in the 11th grade. They've been giving both the ACT to all their 11th graders, and they've been giving the three NeSA tests as well. Now from that, a study was done, I believe by the Coordinating Commission, to see whether or not we had a close relationship between the results of the NeSA test and the results of the ACT. And what we found was there is a very high correlation between the results of the NeSA test and the ACT. So from those two points, that the ACT is closely aligned with our standards, and we have a strong correlation between the results of the NeSA test and the ACT, we can have confidence that when we substitute the ACT now for the NeSA test, that we're not betraying our standards and we're getting a good, solid, valid, reliable measure of how our 11th graders are doing. So that's what informed the pilot study to begin with, and those are the outcomes that we saw from it...now there are three things that I want to mention about why I think this is a good thing. One is that we...the administration of the ACT will happen one day, it's a half-a-day, as opposed to the administration of the NeSA test, which occurs on three separate days. We're protecting instructional time. One of the things that we would like to do is to get the most data we can out of a test instrument, with the least intrusion on instructional time. We're looking for real efficiency and data, so that we can protect instructional time which is really, really important. And by using the ACT instead of the NeSA test, we're gaining some advantage, we're gaining some instructional time as a result. The second thing, Senator Scheer alluded to, and that is

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student motivation. Students care about the ACT, they really can't find a reason to care about the NeSA test. And that's going to be reflected in their performance, we believe. The third item is that when we administer the ACT and look at the results, we can identify students of promise, who we might otherwise have overlooked. And this is a tremendous advantage I think for us, to utilize the ACT in terms of college going for students that we would like to encourage, but might have otherwise overlooked. Okay, the red light is on. I had a couple of other things that I wanted to mention, but I will stop here. [LB930]

SENATOR SULLIVAN: Well, and thank you, Mr. Evnen. And without extending it a great deal of time, you can end those two comments, if you'd like. [LB930]

BOB EVNEN: I appreciate that, Madam Chair. The...how do we rate? Senator Groene expressed a little bit of concern about how are we going to rate, if we give all of our students this test. Well, it's an interesting thing, but Nebraska has always had a high ACT test rate, where every year we test between--voluntarily, 70 or 75 percent of our students are taking the ACT, and yet, our statewide total composite score average always rates favorably compared to the national average. Even though we have one of the highest test taking rates in our state, our statewide total score average is often eight-tenths of a point or a point higher than the national average. Which is a pretty impressive thing, I think. One of the things that at least one of the superintendents in a pilot district said to me was you know, if we give this to everybody chances are that our total score average is going to go down, and people are going to see this, people care about this, people read about this, and what about that? And my answer to that concern was...which is a real concern, is that I think it's the job of the state board, it's the job of state legislators to help people understand that we're going to have a little bit of a reduction in the first instance, but one of things that we've seen in the administration of the ACT over the pilot period is that these total score averages in the pilot districts go up over time. Yes, there was a fall to begin with, but then they start to go up again. So we're pleased about that. I'll stop there. [LB930]

SENATOR SULLIVAN: Thank you very much. Any questions for Mr. Evnen? Senator Groene. [LB930]

SENATOR GROENE: Senator Pansing Brooks said you teach to the test, and we just conceded that our public high schools now are probably prep schools. I mean, we have an awful lot of students that are tactile, they work with their hands. Are we telling them that you don't get into college, give up, there isn't a welding class to take, a CDL to take to become a carpenter. Are we going to teach to college prep because we're going to teach to that test? We have a problem in this state with kids dropping out and stuff. Not everybody is meant to go to college, but we seem to turn our high schools into college prep schools. [LB930]

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BOB EVNEN: Well, that's a fair observation, Senator. And one of the interesting things that's going on in our state today is that we have career academies. Grand Island has an excellent career academy as I understand it. Lincoln Public Schools has developed a career academy, which is really thriving, and to which the district is very much committed. We're going to have a range of scores in these tests. We have a range of scores in the NeSA test. [LB930]

SENATOR GROENE: So what are we telling that student, that he's not college prep or he's dumb? [LB930]

BOB EVNEN: No, we're not telling that student either one of those things. [LB930]

SENATOR GROENE: Because I know a lot of very wise people that work with their hands, but couldn't pass a geometry quiz. [LB930]

BOB EVNEN: Well, what we're really doing is providing feedback to our professionals. And the question is how can we do better with our kids? So we're looking at the larger numbers and seeing how can we do better with our kids. I don't think it's going to hurt anybody. I think it will help a number of kids. [LB930]

SENATOR GROENE: Thank you. [LB930]

SENATOR SULLIVAN: Any other questions? Thank you for your testimony. [LB930]

BOB EVNEN: Thank you very much. [LB930]

SENATOR SULLIVAN: Welcome. [LB930]

MATT BLOMSTEDT: Good afternoon. My name is Matt Blomstedt, I'm the commissioner of education. I'll spell Blomstedt, I get to do that on occasion, B-l-o-m-s-t-e-d-t. First of all, it's a pleasure to be here today, I guess first time this session anyway, that I get to join you. Thank you for the work that you do. Thanks to Senator Scheer for introducing LB930. The state board was actually working in our legislative retreat today to review bills, so we actually took this one up first and then watched carefully where the committee was so we could be over here in time. And the snow didn't keep me away for the couple blocks, so that's good. Senator Scheer already mentioned the point, first of all, the state board did vote unanimously to support the notion of moving forward with LB930. They did have a couple caveats, he mentioned them, I'll go ahead and mention them for the record. We would request that the time line that we would consider would be the 2017, 2018 year for the things that Senator Scheer mentioned. Whether or not if

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you go to a RFP process and able to plan forward that way, it looks pretty short to be able to do that. And we would be left...if that process didn't work very well, we could be left without telling school districts what the state assessment would be for next year, so we would prefer a little bit more time on that front. Also, the notion of state contract, we think that would be important to organize that for a lot of different reasons. Among those reasons, obviously just the efficiency of trying to make sure that would work. And we've actually had conversations with both SAT and ACT around that very notion, how that's worked in other states, and that seems to be the most efficient fashion in which we'd accomplish that as well. There are a lot of I think reasons that the board discussed today, as far as reasons to support this concept, this bill, moving forward with changing our assessment future. I would tell you I have a lot of history with assessment in Nebraska--state assessment. I had the opportunity to serve as a research analyst for the Education Committee at the same point in time that state assessment was coming into place. Whether that's expertise, I don't know. But the reality is that experience that tells us we went through this history in Nebraska where we moved from local assessment to state assessment, that was a challenge, right? A challenge in the sense of making it technically work, but also making it work within our state school system overall. The other reality is negotiating our way through working with the federal government on what they were requiring. And now suddenly we're at this point in time where No Child Left Behind is behind us, we're looking forward to the Every Student Succeeds Act and talking about what's the future of assessment really need to be. Why do we do assessment in the first place. Underneath NeSA, I would tell you the purposes were largely around accountability of schools. That was the moment in time in which state assessment came to play, at the same point that the federal government was saying hey look, this is the type of accountability system we want to see. I am actually quite pleased to be sitting here, in that we're actually talking about kids future, their future, making sure their success is actually at the forefront of our thinking about what we do in the assessment system. There are probably a number of other possibilities around assessment, I mean, Senator Sullivan introducing LB101 last year, trying to provide the Department of Education and the state board a little latitude in how we might go about selecting the high school assessment in particular, and all assessments. We've included some language within our technical bill, I don't remember the number that that got assigned, but within the technical bill that Senator Sullivan introduced on our behalf to make sure that we are thinking about the future of assessment in the proper way. This LB930 gives us a chance to say hey look, we know that we would move forward with an assessment in 2017, 2018 if that's how you would amend it. That would include a college entrance exam, we would be able to go through the process and figure out all the technical requirements, and I guarantee you there will be technical requirements that we have to be thoughtful about in working with the federal government. But as I think Senator Scheer pointed out, as Mr. Evnen pointed out, the notions that this can work...we've had some conversations with the U.S. Department of Education, and we know that it can work as part of our state assessment system. I don't know what other caveats they might throw our way and that's fine. We'll work with them, we'll work on this. If we set the direction, and I think we always should set the direction that we think is appropriate for

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Nebraska, that we would go ahead and do that. We would know which way to go, we would know essentially the direction that we would spend time and energy from a staff side. I am happy to take some more questions, because I know I will just run out of time in the middle of this. So if you have any questions for me, I'll take those. [LB930]

SENATOR SULLIVAN: Thank you, Commissioner Blomstedt. Mr. Evnen referred to it a little bit, but the pilot study, you have reviewed the results. So what are some of the takeaways from it? [LB930]

MATT BLOMSTEDT: Yeah, and I think he certainly highlighted a couple of those. First of all, in eight different districts, we saw that roll out. And so I have...some of the questions that were asked were the technical questions around does it correlate with our current NeSA results, do we understand the impact that it may have on schools? We're waiting for...with the extension of a pilot, we're waiting for the final years of the data to come in. Actually, there's one more year to be able to look at that, and the Coordinating Commission is looking at that. We do see the high correlation between NeSA results and ACT results, so we think that's sound. We don't necessarily know does this improve college going rates. However, I think when you look at the national level, when you look at ACT, SAT, you do see that it opens the eyes of students to the possibilities of college going rates. A little bit to the point of...I think that Senator Groene raises, there's also the changes in the ACT, SAT around college and career readiness, one of our major goals for the state board of education is making sure that we're graduated every student in the state of Nebraska college and career ready. We believe this contributes to that knowledge base that would help schools, and I think we've seen that with our pilot schools. I've had many conversations with folks that have been involved with that. There's some side benefits that weren't necessarily part of the study, that I think anecdotally are important. There's more motivation for students to take the ACT then there might be for the NeSA, and especially if they were taking both by the way, at the same point in time. That would be...that motivation level is really important and I think meaningful. And one of the meaningful things that I've gathered out of the ACT pilot is it's important to tell students that they have that opportunity to go to college, and so that they understand that that's part of an expectation, that's part of an opportunity in front of them. They also...it's important to tell them that they be college and career ready. And means something, not just or career ready. And I think it's important that we message to all of our students that we have high expectations around content, but we also believe that we have to create opportunities for students in their future careers as well. And doing both those things allows us to have the right purpose and direction for state assessment. [LB930]

SENATOR SULLIVAN: Any other questions? Senator Schnoor. [LB930]

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SENATOR SCHNOOR: Are we saying that the NeSA testing is not evaluating...or I guess, let me back up a little bit. What is the purpose of our NeSA exams? [LB930]

MATT BLOMSTEDT: So in the original design of the statewide assessments, part of it, and again, I think it was touched on before, was there was a requirement from the federal level that you designed your own state assessment based on your own state standards. There has been movement away from that. That was pretty hardline on that front, when we first implemented statewide assessment, and so it had to measure our standards. It had to measure success against our standards. And we really just use that data to examine how schools are doing. And one thing we've learned in rebuilding an accountability system and thinking about what that future looks like, that only give us one year of data to even look at for schools. So we believe that there has to be so much more to the accountability of our schools. But the assessment reworks themselves out of NeSA were strictly used around accountability. So there was not a particular student benefit. We hoped there was a bit of a school benefit that hey look, we can see that we might need to correct to improve, and I think the results would bear that out. But the purposes really were around an old accountability model that we seem to be moving away from at a federal level and as well at a state level. [LB930]

SENATOR SCHNOOR: Do you feel that the NeSA exams are serving that purpose? [LB930]

MATT BLOMSTEDT: Serving the purpose of accountability? [LB930]

SENATOR SCHNOOR: Yes. Well, of the federal mandate that they're designed for? [LB930]

MATT BLOMSTEDT: Yes, I think they really have. At the federal level, when you watched the process that states were going through around waiver from No Child Left Behind, it got I guess muddled in a certain sense. But in Nebraska, we've used that data to really gauge whether or not we're making improvement. And I think in particular, the three through eight grade levels that we're assessing, it tells us something about that progress. It doesn't mean there can't always be a better way to do something, but it gives us a chance to really look at that in a uniform way across the state. [LB930]

SENATOR SCHNOOR: And then what is the purpose of the ACT exams? [LB930]

MATT BLOMSTEDT: I think ACT has a couple different purposes. In this sense, we would have to adjust that purpose for ACT. Right now, the purpose for ACT is college entrance, that colleges are able to gauge against that. They also would say that they have measures that would tell you whether or not they would be successful in career areas too, or particular areas of

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content. And so that gives us a little bit different look compared to a national level, you know, expectation I suppose. [LB930]

SENATOR SCHNOOR: Do you feel that...are the ACTs a much higher level of examination than the NeSA type testing is? [LB930]

MATT BLOMSTEDT: I don't know that it's necessarily higher level of expectation. It's a different type of expectation, that gives us different data. But it does tell us, you know, strictly around the content areas that we have for state assessment right now, for NeSA assessment. So English, language arts, and writing have to be part of that conversation, math obviously, as well as the science standards, too. [LB930]

SENATOR SCHNOOR: You know, because there's kids will take specific classes just so they'll score better on their ACT, so you know...and yet our goal is not necessarily to make everybody college ready, but to make them productive members of society in whatever way, shape, or form that may be. That may be going to a four-year institution, or going to college, or just going to the work force. And you know, so I don't know if I'd see that this is a good way that we should be doing business, you know. What about the MAPS testing? Is that something that has ever been looked at? [LB930]

MATT BLOMSTEDT: Yeah. Actually, we have quite a few school districts across the state using MAP's assessment, that's Measures of Academic Progress within the...it's NWEA, so the...want to say...I forget now, Northwest Education Association (sic) I think is the right name for that. When you look at those types of assessments, a lot of schools give that because within our state law it says that schools should pick national assessments as well. I would tell you I think we ought to look at the, you know, kind of the mix of those national assessments and state assessments, and whatever may happen with this particular bill, to make sure we're doing assessment that matters for kids is what I would tell you. Kids and parents. Right now, the NeSA assessment at high school level doesn't necessarily help a kid go to college and doesn't necessarily help a kid go into the work force either, right? So I think this, from that standpoint, gives us a chance to look at how we would package a whole assessment system and make sure that it addresses student's needs instead of just kind of one accountability need. [LB930]

SENATOR SCHNOOR: You know, so I guess my thought is do we need...are we looking to change the evaluation process or are we just looking to force every kid to take the ACT exams? [LB930]

MATT BLOMSTEDT: In my sense, it would be making better use of the assessment instruments that are available to us. So we aren't necessarily putting any student in a situation where they're

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having to be assessed on something, when it doesn't make sense. There are challenges for us, relative to, first of all, accommodations for special ed students and being able to think through that, there's requirements that if you have certain alternate standards for students that might not otherwise...I mean, that are, you know, severe and profound in special ed, how you address those issues. So there are some challenges along those lines. For other students, setting an expectation that hey look, we're not going to tell you you're not able to go to college, we're not going to tell you you aren't going to be able to go work force. I think it's trying to open that whole spectrum up so we're not limiting their chances through assessment. I would be concerned that we just start to shape our high schools around college prep. I think that would be damaging to us. I think it would be demonstrated to be damaging to us even in the ACT. I would tell you, hands on experiential learning will help us with the students, even on ACT. I would tell you our career academies and that work, making sure that the learning is relevant, and I would say rigorous and relevant, relative to the environments that we have to create in our high schools and make the difference for our students. [LB930]

SENATOR SULLIVAN: I think that's what gets a little confusing when we...because we keep referring to the ACT, SAT. We're not going to put either one of those in statute, because I mean, that's a private enterprise. And then you talk about putting out an RFP. So how do you, as a department, make that decision? I assume it's going to fit into AQuESTT and all the kinds of things you're going to do for helping children become successful in school? [LB930]

MATT BLOMSTEDT: Yeah. And absolutely, we would have to. I would actually ask you to look at the language out of LB101, it asks us to gather around a certain group and make sure that the RFP process would include those things that really mattered across the state. It is a bit of a challenge, because the ACT currently, under the pilot program, you know if the Legislature said it's ACT, it would save us the step of going through an RFP process. I don't know that that's appropriate, right? So the fact of the matter is SAT has won some of those state assessment contracts in other places as well. So we know that that notion of kind of one test versus the other test, we know we need a solid process. I couldn't tell you who else would respond to such an RFP by the way, so there may be other assessment companies that I'm not even necessarily aware of or are perhaps not as recognized in that arena right at this moment, that might respond to that. But it is a challenge, because we know kind of what those two products do, and there may be other things that would surface. I don't know what they'd be. [LB930]

SENATOR SULLIVAN: Did I cut you off, Senator Schnoor? Did you have another? [LB930]

SENATOR SCHNOOR: No, I'm good. [LB930]

SENATOR SULLIVAN: Okay. Senator Pansing Brooks. [LB930]

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SENATOR PANSING BROOKS: Thank you, Senator Sullivan. Mr. Blomstedt, I was just wondering first off, with the ACT, do they provide the same kind of raw data that you would gain from NeSA. Because I presume if it's your own test, you have more than just a raw score on each subject area. So how much data is ACT willing to provide to you? [LB930]

MATT BLOMSTEDT: I...my understanding of it...and I can't speak for them in particular, my understanding is we'd be able to get into deeper levels of that data with them around a state contract. We'd be able to receive those files from them about what that looks like. It's...to your earlier point about specifically around our state standards, we'd have to do some type of standards alignment study. Again, I mean, as Mr. Evnen pointed out, there was an examination of that at one point, and our standards have changed. Just last year we adopted new English language arts standards, we've adopted new math standards. We'd have to examine that and go through that process, and then ask them to be able to extract that data for us on those points. [LB930]

SENATOR PANSING BROOKS: Well, yeah. I would hope that on your RFP that that would be a requirement, because my understanding is that ACT carefully protects their information and their...they will provide raw scores, but if you all don't have the information necessary to help understand not just well, English needs to be better in our state, that's not really going to help. [LB930]

MATT BLOMSTEDT: And they do share data with us right now. Given...I mean, we're roughly 85 percent, I don't remember, of our students take it. So there's certain data that is shared with us, but I agree. I mean, we'll have to write in the expectation of the data that is able to be extracted from a new system. [LB930]

SENATOR PANSING BROOKS: Okay. And I just have one more thing I was wondering about. Again, about the innovation dollars that are going to pay for the overrun from NeSA testing, is that correct? Is that an understanding that I... [LB930]

MATT BLOMSTEDT: Yeah, that's how this is drafted. Given the time frame, and we tried to analyze quickly what the cost would be. And so, you know, my staff did a nice job of pulling together information very quickly. When we would look at that, we would have to find out what that cost difference is. Going into the next Biennium, I would tell you it would give us probably enough time to really analyze that in some detail. So if you moved it back a year, we would have that chance to actually do that fiscal analysis I think much more appropriately. [LB930]

SENATOR PANSING BROOKS: So then would you make it part of the budget rather than...okay. Because it seems like we should not be using innovation dollars for... [LB930]

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MATT BLOMSTEDT: I think we would request that. [LB930]

SENATOR PANSING BROOKS: ...more testing. [LB930]

MATT BLOMSTEDT: I mean, I think what I heard Senator Scheer say hey look, it's hard to introduce a bill and with the anticipated cost and not identify a funding source. I think what I heard him say was it wasn't so much about that, we would look at the cost differential, we have federal funds associated with our state assessment as well. So we would have to look at the mix of funding that would come in and be able to be appropriately used for this. [LB930]

SENATOR PANSING BROOKS: Our future is innovation, so I'm hoping that you don't use those dollars. [LB930]

MATT BLOMSTEDT: Well, yeah. And I think that's it. And you know, we're certainly, as we look at innovations in these arenas, I wouldn't say assessment is necessarily an innovation per se, but changing our way and thinking about that, I mean, I hope does become innovative that we think differently about how to prepare each student for their success. [LB930]

SENATOR PANSING BROOKS: Thank you. [LB930]

SENATOR SULLIVAN: Senator Kolowski? Senator Groene. [LB930]

SENATOR GROENE: Thank you, Chair. I still can't see how this doesn't turn everybody into a college prep. You get competition between schools to say who got the best average ACT test. So they're forcing kids into classes, trying to bring that lower bunch up to help the overall score. You know, I heard earlier today, I don't know who testified, that two-thirds...of the 60-some percent of the kids going to school, one-third of them get a degree. And we say that's a failure. Maybe they didn't belong there. Maybe they did not belong there, but our public schools are forcing them on that path, when they don't want to be there. We don't have welders, we don't have CDL drivers. These are good paying jobs, good respectable jobs, but our public schools tell a kid he failed if he don't wear a suit and tie. And this is just more of that. That's where I come from on this, and I just don't see the purpose of this, forcing every kid to take a college exam when he has no plans on going there. He wants to go to the community college, he wants to go become an intern with an electrician, he wants to learn how to drive a truck. And we're going to turn everything into a college prep school. [LB930]

MATT BLOMSTEDT: It actually would be my hope that we could move the other way. I feel as if we've gone that way for a long time, largely perhaps around the accountability system. As we

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build an accountability system that I would like to see is making sure it's recognizing those opportunities for students in all types of careers. Making sure that we have that, and that ACT doesn't become the accountability system. I would be quite opposed to that, quite frankly. I would be opposed to the notion that that would be the only thing we would look at around the success of our schools. [LB930]

SENATOR GROENE: So as a parent, what do I check the school out? It's going to be the ACT test. [LB930]

MATT BLOMSTEDT: And other things around our accountability for a quality education system today and tomorrow. I knew I would get it out there with AQuESTT, I got to do my shameless plug. Because that's really what we're looking for is really what are the positive partnerships and relationships around student success. We ought to be looking at their...the entry of students into the work force, making sure that we're looking at those possibilities for students. Making sure that those things matter quite frankly more than the ACT in that sense. ACT is one measure and it can't be the only thing that we look at, relative to this one. [LB930]

SENATOR GROENE: I didn't catch...what were you plugging, the A... [LB930]

MATT BLOMSTEDT: AQuESTT. So that's the accountability system that the state board has worked quite hard on over the last year and a half, based on the passage of LB438 in this body, to say build a new accountability system that's not just about assessment. And so we're still doing that. And so this is not about the accountability of our schools in isolation of that conversation. [LB930]

SENATOR GROENE: Thank you. [LB930]

SENATOR SULLIVAN: Senator Schnoor. [LB930]

SENATOR SCHNOOR: You may have said this. How...what is the percentage roughly of kids that graduate from high school and go to a four-year college? [LB930]

MATT BLOMSTEDT: You know, I didn't say that, so I don't know off the top of my head. I would have to look, but it's high in Nebraska, relative to other states. I mean, I know...you make me guess, I'll be wrong. [LB930]

SENATOR SCHNOOR: Can you...okay. I'm not going to hold you to it. I'm just...I'm curious, more than anything. [LB930]

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MATT BLOMSTEDT: I think we have...it's high. In the nearly 80 percent type of range where we have kids currently, at least going...I won't say four-year, I'll say postsecondary, so a two-year or a four-year. [LB930]

SENATOR SCHNOOR: Okay. All right, thank you. [LB930]

SENATOR SULLIVAN: Senator Kolowski. [LB930]

SENATOR KOLOWSKI: This will help the economy of the state because we'll have a mushroom of ACT prep classes. Just a little side bar. [LB930]

MATT BLOMSTEDT: Well, it is a...I mean, I think these are legitimate concerns for...but it's work that we would have to do. You know, you would have anticipated that type of response with NeSA results, and we did spend time, by the way, in schools, making sure that students were getting math and their English language arts and science, so they did a good job on that for NeSA. And I do think that had a narrowing effect, because that was the only measure that people were looking at. And I think that's a mistake to make it the only measure that we look at. [LB930]

SENATOR SULLIVAN: Any other questions for the commissioner? [LB930]

MATT BLOMSTEDT: Probably lots. [LB930]

SENATOR SULLIVAN: Thank you. Welcome. [LB930]

DAN ALBERTS: (Exhibit 2) Thank you. Madam Chairman, members of the Education Committee, my name is Dan Alberts, Alberts is A-l-b-e-r-t-s, and I'm here as a member of the Lincoln Independent Businesses Association, LIBA, of course here in Lincoln, and I'm representing them today in support of LB930. Just a little bit of background, I spend most of my days...I'm a lawyer who represents a number of schools, but I spend most of my days working with parents and with the ACT, understanding the score, understanding what opportunities are made available for students. So that's what I spend a lot of my time doing. I was a school administrator in Lincoln and in other parts of the state, so I have that background. Talking about LIBA, LIBA is a member organization comprised of more than 1,300 Lincoln businesses that advocate for issues that affect business and the communities in which they operate. With our members being both taxpayers and often parents, part of our focus then includes the work done by our local school districts and the success of our students. Now, I know we have a representative here from ACT who is an official face, and he will speak to you later, so I won't

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speaking about this much, but in our research, we think 37 or more states use the ACT presently in some type of statewide assessment. And about 16 of them use it in the way we're describing it here, that all students should take it as a measure. So about we think 16 states use it in that manner. And we think as LIBA members and the parents of these 1,300 people--1,300 members of LIBA, that it provides parents and students a lot of benefits. And I will just speak to a couple of those. First benefit, it might be the most compelling one, is the fact that many Nebraska high school students might not take the opportunity to take a college entrance exam, either because they think there is no chance that they should go to school--and maybe they shouldn't, but maybe it's because they don't have any surroundings that suggest they should go to college. Or maybe the entrance test cost is simply a barrier that they can't overcome. So we think that offering it to all students overcomes those two things and it opens the door. And Senator Groene, it might not be for everyone, but on the other hand, there might be some that do not have that choice simply because they do not have surroundings that suggest to them that they should, or should consider it. So that's the first benefit. The other main benefit that we see with our parents that are part of LIBA is it provides the teachers and the parents feedback that they can understand. Frankly, rarely if I get a raw NeSA score does any parent understand what it means. However, if I got a 33 on my ACT score, almost all of us know what that means--that's a great score. So there's just this overcoming of what do these scores mean. And it arms parents and students with much more information that's usable. You know, if they get a 20, they're about at the state average, if they got about a 25, and they took it during this, maybe they should take it again, because if they could get a point or two more, that would add to scholarship money. So it has these kind of benchmark numbers that people really understand. And we think that's a real benefit to all. Finally, aside from being able to track and understand individual student performance however, college readiness testing, which ACT provides, is a metric for comparison between local schools and schools in other states. The pilot program that we've been discussing, that has allowed nearly all juniors in Lincoln Public Schools to take the ACT test, has been a success because it has provided benchmarks for comparing schools in the LPS system with one another, while also providing the means for comparing LPS students' performance to other students across the state and the nation. And it provides it in a way that most of us can understand and we think that's powerful. Because of this program, we here in Lincoln are now able to report that the average ACT score for all LPS students is 20.7, with a college readiness level of 29 percent, which is very near the national average. Simply knowing these numbers allows us to determine where we are in our educational efforts. Thank you, and any questions? [LB930]

SENATOR SULLIVAN: Thank you, Mr. Alberts. Any questions for him? Thank you for your testimony. [LB930]

DAN ALBERTS: Thank you. [LB930]

SENATOR SULLIVAN: Welcome. [LB930]

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JOHN BONAIUTO: Thank you, Senator Sullivan, members of the committee. John, J-o-h-n, Bonaiuto, B-o-n-a-i-u-t-o, representing public school boards for the Nebraska Association of School Boards. The association supported the pilot, when we talked about putting this in place, and we see our support for LB930 as really the direction that we were expecting after the pilot project was completed if it were successful. And so we also support what Senator Scheer is agreeing to and what the department recommended, is looking at backing up the implementation for a year. That would give the pilot a chance to complete what it set out to do and get better information. We also appreciate the recognition that there may be some additional costs. And we were not necessarily set that the lottery was the best place for those to come from. But just the recognition and having school districts receive additional funding for any costs that might be incurred for this change. And we see, you know, it's...student accountability and testing it's a work in progress. That having multiple ways to assess student learning is a good thing, and I think working with the state board, continuing to look at how things are working and what might need to be changed is very positive. With that, I'll conclude my testimony. [LB930]

SENATOR SULLIVAN: Thank you, Mr. Bonaiuto. Any questions for him? Thank you. [LB930]

JOHN BONAIUTO: Thank you. Welcome. [LB930]

JOHN FALLON: (Exhibit 3) Good afternoon, Madam Chair and Senators. My name is John Fallon, that's J-o-h-n F-a-l-l-o-n, and I'm here today representing the College Board. We administer the SAT, PSAT, MNSQT, and advanced placement tests, along with hundreds of other programs that benefit students around the country. We're a membership association of colleges and high schools, so almost all of the four-year schools in the country, as well as many of the two-year systems, including public and private schools here in Nebraska. And many of Nebraska's school districts are members of the College Board and participate in College Board testing. I'm here primarily to support the Department of Education, the school board, and this body in answering any specific questions about this type of testing or administering these exams in school, on school day, on school property, or as part of an accountability system. Just a relatively new thing for the College Board to be doing the SAT or the PSAT as part of an accountability system. We're working currently with five states this year to administer an 11th grade assessment, as part of their state accountability system, and two additional states-- Colorado and Illinois, will be joining those five next year. In support of this bill, you know, encourage not the choice of the SAT, but a process--an RFP process or a choice process that really meets the needs of the Department of Education and the state of Nebraska is probably the course that we would recommend. In our work with other states, the process of getting to know each other and forming a partnership, figuring out what needs...so as Senator Pansing Brooks asked earlier, things like item level data, and technical manuals, and sharing that level of assessment data is critical because the link between the alignment, you know, of the standards that the SAT is designed to measure and then that Nebraska needs measured for their state

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accountability system and for feedback to their schools is something that really the Department of Education needs to work out and tell us how to do it. And then ask us to work with their other vendors on standard setting, that makes sense for your state. So I don't want to take up too much of your time, it's very late, but I'll also...any questions, I'd be happy to answer. [LB930]

SENATOR SULLIVAN: Thank you, Mr. Fallon. So all of these dues-paying institutions, what do they get for paying dues to the College Board? [LB930]

JOHN FALLON: So we're actually an organization with...we have a governance structure, and they actually run the...the College Board is a sitting board of educators, or our members. So each reason of the country, Nebraska is part of the Midwest region, kind of follows the Big Ten, all the states there have an academic assembly, a college admissions assembly, and a financial aid assembly, and each region has those three...so there are 18 assemblies across the country. Each of those assemblies elect national representatives, and each of those national...and sorry, a sitting board member. So we have a 30-person board that actually runs the College Board, that are rotating regional educators. [LB930]

SENATOR SULLIVAN: And when you say you are working with several states for them to use the ACT... [LB930]

JOHN FALLON: The SAT. [LB930]

SENATOR SULLIVAN: The what? [LB930]

JOHN FALLON: We're the SAT, yeah. [LB930]

SENATOR SULLIVAN: Okay. But do you act as... [LB930]

JOHN FALLON: The other guy. [LB930]

SENATOR SULLIVAN: Okay. All right, gotcha. Okay. So are you one of the potential vendors? [LB930]

JOHN FALLON: Yes. [LB930]

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SENATOR SULLIVAN: Okay. All right. But then I understood that you sort of work with the department of education of a respective state to sort of help them figure out what's the best fit? [LB930]

JOHN FALLON: Yeah, so...exactly. That's what we suggest is to, you know, an RFP process or a procurement process that lays out the needs of the state and has an open process where, you know, you don't commit in advance. We've done it both ways. We've done it with other states that have said put in statute the SAT, and found that that for our own sake and theirs was a mistake. [LB930]

SENATOR SULLIVAN: Okay. Senator Pansing Brooks. [LB930]

SENATOR PANSING BROOKS: Well, thank you for coming today. I appreciate it, Mr. Fallon. I guess I'm interested because everything I've heard is ACT today. So I don't know if you feel like you're sort of coming in after the fact, but I presume that's because the ACT was used in the previous study. Is that correct? [LB930]

JOHN FALLON: Sure. And traditionally, it's been the test that's been taken by more students in Nebraska than the SAT. There are some students in Nebraska that take both tests or just the SAT, but they're very rare. We work primarily with the high schools on the advanced placement exams. Almost all Nebraska high schools are now offering one or more advanced placement classes and courses, and their teachers are part of our academic assembly. And we've always worked with the higher ed institutions here. But... [LB930]

SENATOR PANSING BROOKS: Has there been any discussion...and you're maybe not the one, but now that you're here, I'm going to ask. [LB930]

JOHN FALLON: Sure. [LB930]

SENATOR PANSING BROOKS: Any discussion about letting the children choose which test to take? [LB930]

JOHN FALLON: That would also be a, you know, something that you could decide. And I think it gets down to the efficacy of cost and other things. [LB930]

SENATOR PANSING BROOKS: Yeah, I mean, it's my understanding that you test totally different things, ACT and SAT. One is more math and science based, one is more reasoning based. [LB930]

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JOHN FALLON: So I would... [LB930]

SENATOR PANSING BROOKS: There is a distinct difference, at least among the people who are teaching the courses. [LB930]

JOHN FALLON: Yeah. I would challenge that to say, well, for a couple reasons. One, the new SAT, which will be administered for the first time in March, is a brand new test, with a public test specification, a content framework. The past SAT, the one that just had its last administration last Saturday, didn't have a content framework. It was a test that was a norm reference test, that was focused on college admissions. The new SAT is a criterion reference exam that has a norm reference group, which is set...which will enable us to create the initial scale, and will allow us to have the scale be used for college admissions. But the test itself, as a specific content framework, one that we put out very publicly--it's published on our web site, the exact content specifications, and it allows us to give five test scores. The traditional college admission scores are still there, you know, the verbal and the math, as when we knew it, now called the reading and writing and the math. But we have five test scores: a reading score, a writing score, a math score, a science, an analysis in science, and an analysis in history and social studies scores. And those five test scores really align with the standards of most states. And we asked, you know, the state Department of Ed, we put our test specification and our forms in their hands and we do an independent alignment to see how those test scores can have crosswalks with other testing that the state does, and give better feedback to the students and to the schools. [LB930]

SENATOR PANSING BROOKS: Do you know if somebody from the ACT is here? [LB930]

JOHN FALLON: I don't know, but I...probably. [LB930]

SENATOR PANSING BROOKS: Okay, good. All right, well, I will ask them that question. [LB930]

JOHN FALLON: I'm sure someone's looking at my back. [LB930]

SENATOR SULLIVAN: Senator Kolowski. [LB930]

SENATOR KOLOWSKI: Mr. Fallon, thank you for being here and for your testimony. The old generalization was that the ACT was kind of the Midwest middle part of the country, and you have the SAT more of an east coast, west coast variety. Have the conferences broken that down a little more as you're getting...it's an old generalization, but how true is that (inaudible)? [LB930]

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JOHN FALLON: Yeah. I mean things are changing and quickly lately. So Indiana used to be a little island in the middle of the Midwest that was an SAT state, but Michigan, Illinois, Colorado are traditional ACT states that have all adopted the SAT through our RFP processes in just the past 12 months, and will be giving the SAT statewide in place of a statewide ACT that was there. And ACT is more of a Saturday test, more of a national on the weekend test in New York or Massachusetts, than it was 10 years ago. So I think both organizations are pushing each other, and that's to the benefit of the states. [LB930]

SENATOR KOLOWSKI: What's your new magic perfect score, 1600? [LB930]

JOHN FALLON: 1600. [LB930]

SENATOR KOLOWSKI: Still? Okay. [LB930]

SENATOR SULLIVAN: Any other questions? Thank you for your testimony. [LB930]

JOHN FALLON: Thank you. [LB930]

SENATOR SULLIVAN: Welcome. [LB930]

CHRIS WILSON: (Exhibit 4) Thank you. My name is Chris Wilson, C-h-r-i-s W-i-l-s-o-n, and I'm a senior account strategist at ACT. Madam Chairwoman and members of the Education Committee, thank you for allowing us to be here and testify on behalf of LB930. I think I will probably...for my first five minutes I had some information I wanted to share, but I think it might be best to level set a little bit with some of the questions that came up from around the semicircle here. So getting to the data that's provided in a statewide administration. ACT does provide at the state level what we would call our profile report, so it's an aggregate report that has information on all the students--the juniors who tested on a weekday administration, that we do give to the state. We also give the state a raw data file, so that would include both the noncognitive and the cognitive data points that students would fill out or be assessed with the ACT. The noncognitive side is an interest inventory and it consists of 77 different data points that the state would have. And I think the noncognitive aspect of it is somewhat overlooked through the different bills that I've heard introduced today and also the previous week when I've watched on the live streams. Those data points touch a lot of these other bills that are being introduced. There's a wealth of data that's there that shows where a student's interest is, whether it's a major career interest, things of those nature. So it's really bridging...helping bridge that gap between just a college admissions assessment and a career readiness assessment. And I think that's another distinction too of when you're looking at the ACT and all of a sudden we're going to have test prep schools.

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I think it's important to remember that the ACT does measure college and career readiness. We have a new progress towards career readiness indicator on the ACT that's directly tied to ACT's national career readiness certificate. There's three different assessments underneath our work force assessment called Work Keys, that allow students to get a national career ready in a certificate...or in a bronze, a silver, a gold, or a platinum. They can take that into any employer and say here are the skills that I know, this is what I've earned. We also have a really great research piece that we can follow up with called "Ready for College, Ready for Work: Same or Different." And it really shows that the classes that students need to take benefit them, not only for a postsecondary career and a tech school, a community college, or a four-year institution, but it's also the same skills that are necessary to be successful if they do go to an assembly line or some other type of employment as well. I think peer review was mentioned with accountability. ACT is currently working with 4 out of our 22 state partnerships, working with them on the peer review and federal accountability. Right now, it is kind of a crystal ball. We're trying to figure out what's going to come out of ESSA and what those requirements are going to be, but we do stand ready to assist all of our partners that we enter in with. Something else to note, I believe Senator Schnoor, you were asking about the students that are looking at four-year institutions. From the graduating class of 2015, 92 percent of the students...or let me back up a little bit...88 percent of the students--juniors in Nebraska for the graduating class of 2015 took the ACT. Out of those students, 92 percent aspire to go on to postsecondary education, 54 percent of those aspire to earn a bachelor's degree, 30 percent aspire to go to a graduate or a professional type degree. [LB930]

SENATOR SCHNOOR: Okay, thank you. [LB930]

CHRIS WILSON: I also want to touch base a little bit, regarding Senator Scheer's discussion regarding pushing back the implementation window, to make sure that the assessment companies that would be potentially bidding on this bill...ACT stands ready to implement, whatever that time frame is. Most recent example that I can give you is that the state of Colorado has asked us to administer the ACT this spring, and we just found out this January, and we will be implementing the ACT this spring in the state of Colorado. And we stand ready and willing to do that. I will touch base...I see that my time is running a little bit short, but some really high level initial data that's come out of the pilot of the 8 districts and 13 high schools that rolled up there. Senator Kolowski, you were talking about access and opportunity, right? Pre-pilot versus the spring of 2015 administration, 53 percent more students in those 8 districts took the ACT. Senator Sullivan, you were talking about in a previous bill's testimony how the Latino population is one of the largest populations that's growing in Nebraska. There was an increase of 140 percent Hispanic and Latino students that took the ACT during this pilot study, from pre-pilot to spring of 2015. We also saw an increase of over 70 percent with African American and American Indian students, and over 60 percent with low-income students that were taking the

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ACT. To your point, the scores will go down if you decide to test all of your students, because you're pulling in that underrepresented population. May I keep going? [LB930]

SENATOR SULLIVAN: Maybe you can finish up. [LB930]

CHRIS WILSON: So touching on the access and opportunity, we're starting to bring everybody up on a level playing field. But not all is lost. Since spring of 2012, when the first administration of the ACT began, until now, there's been a 0.2 increase in the composite score of ACT scores while testing all of these students in the pilot. ACT has college and career readiness benchmarks, essentially what that is, is we track students from their high school careers into college, and we are able to assign scores in English, math, reading, science, and writing, that would show a 50 percent chance of a student earning a C, or a B, or better in a corresponding freshman level college course, or a 75 percent chance of them earning a C or better in a freshman college level corresponding course. So we've seen a decrease in the students meeting zero benchmarks, that's a good thing. Kids are starting to meet one, or two, or three, or four more benchmarks. We've seen an increase in students meeting the three and four benchmarks as well. So even though we're pulling in an underrepresented population that maybe drops the score, we're also seeing gains over just four short years of what those students can do and buy into that. Of note, there's a been a 16 percent increase in scores sent to colleges here in Nebraska, so that's showing that students...they're excited. The ACT means something to them, and they're submitting those scores, whether they thought they didn't have a chance for college or not. Some of the best stories from our...you know, talking with states and going into schools and districts is that student who said they never thought that they were going to go to college, they didn't think it was for them, and then all of a sudden they get a flier in the mail from Nebraska Wesleyan saying hey, we've got this great program, we think that you'd be beneficial to it. Well, the light bulb goes off and then they start thinking about those aspects. But I'll kind of leave it to that...or end on this real quick, that ACT does have 15-plus years of statewide administrations. And like I had mentioned earlier, in 2015 we had 22 states that we did administer the ACT in on a weekday to all juniors. We do have the flexibility of testing times. We're rolling out the ability and flexibility for states to choose test dates--multiple test dates in an administration. We also are the first college entrance exam to be administered via computer, so the state could have a choice between a paper or a computer-based test. And I will end it on that and open it up with questions. [LB930]

SENATOR SULLIVAN: Thank you, Mr. Wilson. Did I understand you correctly to say that you can actually follow a student from when they graduate into their first year of college? [LB930]

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CHRIS WILSON: With Clearinghouse data we can make sure that that information is tracked, correct. And so that...we are not only able to see enrollment numbers, but persistency numbers of students staying in college as well. [LB930]

SENATOR SULLIVAN: Senator Kolowski. [LB930]

SENATOR KOLOWSKI: Thank you, Madam. Mr. Wilson, thank you for your presentation today. And one thing we haven't talked about, not for a comment, but just for a blanket statement is a 36 or a 35 on an ACT, or a 1600 or 1580 on an SAT will get you lots of friends, because they will be throwing money at you to come to their colleges. I've seen it, I've had those kids. You can't believe the number of contacts they get, and full rides. In fact, they're making money going to college, that's how...that proliferates the whole attitude as far as the very top scores. It's wonderful to see those. [LB930]

CHRIS WILSON: Yes. I'm glad you mentioned that. In one of the packets that you have, there's a graph that shows the ACT's college and career readiness system, and ACT is the capstone. With ACT Aspire, our summative and periodic assessments in grades 3 through 10, and then we also have an ACT Engage, that is more of a psycho-social behavioral type assessment as well. And so the ACT or the SAT is not a silver bullet, but it does help in not only helping the students get to college, it helps your educators, it helps the state start making some of those decisions, both educationally and with the labor force with business as well. And so...yeah, when students have the opportunity to take the ACT on a weekday, then you are able to send their scores--up to four scores for free, not only to colleges, but to scholarship agencies as well. [LB930]

SENATOR SULLIVAN: Senator Groene. [LB930]

SENATOR GROENE: Thank you, Senator Sullivan. You said 1.9 million took the test and 59 percent of students? [LB930]

CHRIS WILSON: Correct. [LB930]

SENATOR GROENE: What percentage of those were college ready? A testifier a little bit ago said 29 percent of Lincoln--LPS was college ready. [LB930]

CHRIS WILSON: If you give me just a moment to pull out some data here. [LB930]

SENATOR GROENE: What's normal, I guess? What do you consider... [LB930]

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CHRIS WILSON: Well, the graduating class last year, if you're looking at all four subjects for Nebraska--29 percent. The nation was 28 percent, so the state of Nebraska students were 1 percent above what... [LB930]

SENATOR GROENE: What you guys rate as college ready? [LB930]

CHRIS WILSON: If there were all four benchmarks, there's a high likelihood that they will be successful. [LB930]

SENATOR GROENE: Now, I think LPS is a good school district, but according to what I heard, 29 percent of those were college ready, the other 72 percent...71 percent were failures? [LB930]

CHRIS WILSON: No. And I think that's an inaccurate statement to look at it that way. What it shows is that there's a high likelihood that a student would be successful in those four... [LB930]

SENATOR GROENE: I got to give you credit, because that's about what we have nationwide about college graduates, about that 25 to 30 percent. So your testing pretty much identifies that. But we seem to have an industry out there that wants to get 60 percent of the kids into our colleges, and a lot of them don't belong there. They could be well on their way to career with some tactile skills. So I guess...do you think we ought to be college prep schools? Is that what the definition of a high school should be? [LB930]

CHRIS WILSON: Absolutely not. I think the way that a student and a counselor should look at using the ACT or the SAT, if they are afforded that option, is to have those conversations. And they have to be courageous conversations. I use the example that I've got a seven-year-old daughter, she really loves our puppy, and so she wants to go to veterinarian school. But she's not the brightest with math and science, so that's a conversation we have, that either, you know, we have that conversation of well, we need to maybe spend a little bit more time with science and math to get you up there, if that's really your goal. Or maybe we need to start having a conversation that you may need to find a different career path. And so having those data points and to be able to have those conversations I think is really that next step. Because really if you're just taking the test to test, it doesn't mean anything. So let's use the data points that an assessment like this provides you, and let's start having those conversations. And we have training and tools for educators, and students, and parents to use as well. So in case there are...we know that counseling, there's a high discrepancy in the ratio of counselors to students and they can't get to everybody, so our hope is to be able to help some of those students that maybe don't have a resource like a counselor to get to as well. [LB930]

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SENATOR GROENE: Thank you. [LB930]

SENATOR SULLIVAN: Any other questions for Mr. Wilson? Thank you for your testimony. [LB930]

CHRIS WILSON: Yes. Thank you very much. [LB930]

SENATOR SULLIVAN: (Exhibit 5) Anyone else wishing to speak in support of LB930? I would like to...oh, anyone like to speak in opposition? Or a neutral capacity? I want to read into the record that John Neal of Lincoln Public Schools submitted a letter in a neutral capacity. Senator Scheer. [LB930]

SENATOR SCHEER: Thank you, Chairman Sullivan. And I realize I'm the last person before you and falling on the cement on your way out, so I will give you a little time to think about that. Just a couple things I'd like to respond. Senator Schnoor, you said well, the ACT is just for those kids that are wanting to go to college and they take these prep courses and they will go out and do that. They're doing that now, they're probably going to do that...they're going to continue to do that. That is not what this change is all about. This doesn't stop career development, and I want...Senator Groene, I want you to pay attention, Senator Schnoor, I want you both to pay attention to the extent that... [LB930]

SENATOR GROENE: Did you teach school a long time? [LB930]

SENATOR SCHEER: No, I have not. Maybe when I retire. But what I want you to remember is the ACT is not just a college preparatory test. It signals the ability and interests in a multitude of things, i.e. you may have an interest in welding or other things. Bear in mind, you both made comments that we don't want to be a college prep, this is not college prep. But most students will go to a community college for some additional education. Community colleges require that you take the Compass test to be enrolled. If you take the ACT, community colleges waive that. This has nothing to do with only being college bound--four-year college. This will suffice for those students that want to go work on careers. This test will tell them that they are best in certain careers, it will help them make those decisions, it will also help them financially, because they will not have an additional cost to enroll at a community college in the state of Nebraska. It is not for four-year college use only, it is for all students. Some students may go to a community college, not to get a two-year degree, but to get an endorsement or a certificate in a certain trade or profession, it works for that as well. So I want to dispel the fact that you're absolutely right, you know, when I was in high school, looking at college, ACT meant you're going to college, without question. But that's not what it means today. And in due deference as well, the gentleman from SAT told you the same thing. These tests are not exclusive for four-year college

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entrance, they're to try to help young adults learn what is the best route for them as a career and help them move in that direction. My suggestion, via this bill, is to offer that as an alternative as the 11th grade test that we are providing, that we provide as an avenue of not only finding out how well we are doing as an institution--those local school districts, how well we are doing as a state, but also how well those students are doing. Remember, the students get feedback how well they're doing in different areas. Right now that doesn't happen, it really doesn't. So we have a lot that can be helped in reference to this. I would tell you, Senator Pansing Brooks, I too am concerned about innovation. So much so I think, Senator Sullivan, last spring when we were looking at the Innovation Funding, we were able to double that amount that was originally provided. So we do have some additional funds now available that weren't necessarily going to be available. So we do have some funds available, I'm hoping not to touch them, I'm hoping that it doesn't cost a dime. But on the same hand, if it does cost a few pennies, I think it's well worth it. This is of a great benefit, not only to the schools, to the state. And I would tell you as a committee, you might want to have the department come over and talk to you about the student data system, because it does exactly what some of you talked about. It was hoping to be able to travel and transcend students from literally kindergarten through college, so that when kids go to college we can backtrack and districts in the state can look to see how well those students are doing in those careers of a community college, or in a four-year institution, or at a certificate-type facility. We can see how well an individual district is doing, how well we are doing as a state. All those things are available to us, we've got a heck of a system. We as a Legislature, as a state help pay for that development, the federal government helped pay for a bunch too. But we are on the verge of having just a ton of information and data available to help not only students, but educators, so that we can find a better way to help students. This test, regardless of what brand you take, will help students know where they need to move in that final year of their free education in Nebraska, what they need to help improve themselves to be better, so that they don't go to...I don't care if it's a community college or it's a four-year college, so they don't waste their time and their money on remedial education. That's what we need to be concerned about because that truly is a waste of money. We provide these kids a free education through 12th grade, we shouldn't have to be spending money--the parent's money or even grant money on remedial education. This will help with that. My last request is please leave it in the hands of the Department of Education. They have done this before, they know how to select the test, they know what the test should be providing, they know what data to ask for it to be coming back. Please don't try to micromanage. I've been in both areas and believe me, there is more to it than meets the eye. This is a good proposal, not one person said it wasn't. It is a cost-effective proposal. This is a great benefit for the future of Nebraska for education, don't turn it down. Thank you. [LB930]

SENATOR SULLIVAN: Thank you, Senator. Any questions for him? Thank you very much. And this closes today's hearings, thank you all for attending. [LB930]