

FEBRUARY 10, 2005

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 11, 15, 16-18, 28, 28A, 37, 53, 54, 69
71, 132, 157, 216, 263, 283, 329, 334, 344
346, 368, 383, 411, 412, 492, 645

SENATOR CUDABACK PRESIDING

SENATOR CUDABACK: Good morning. Welcome to the George W. Norris Legislative Chamber. Our chaplain of the day is Father Michael Eckley, St. Rose of Lima Church in Hooper, and St. Lawrence Church in Scribner. Father.

PASTOR ECKLEY: (Prayer offered.)

SENATOR CUDABACK: Thank you, Father Eckley, for doing that for us. Father Eckley is from Senator Janssen's district, and that district is number 15. I call the twenty-fifth day of the Ninety-Ninth Legislature, First Session, to order. Senators, please check in.

CLERK: I have a quorum present, Mr. President.

SENATOR CUDABACK: Are there any corrections for the Journal?

CLERK: Mr. President, I have no corrections.

SENATOR CUDABACK: Any messages, reports, or announcements?

CLERK: Mr. President, your Committee on Enrollment and Review reports LB 54, LB 16, LB 17, LB 15, LB 18, LB 263, LB 283, LB 329, LB 383, LB 216, LB 334, LB 37, LB 28, LB 28A, LB 11, and LB 53 to Select File, some of those having Enrollment and Review amendments attached. Mr. President, your Committee on Retirement Systems, chaired by Senator Stuhr, reports LB 368 to General File with amendments, likewise with LB 411 and LB 412; those signed by Senator Stuhr. And Agriculture Committee reports LB 71 to General File with amendments; LB 132, General File with amendments; LB 346, General File with amendments; and LB 492, General File with amendments; those reports signed by Senator Kremer, as Chair. And Transportation Committee, chaired by Senator Baker, reports LB 69 indefinitely postponed, LB 344 indefinitely postponed, LB 157 to General File, and LB 645 to General File with amendments. That's all that I have, Mr. President. (Legislative Journal pages 469-482.)

SENATOR CUDABACK: Thank you, Mr. Clerk. We now go to General

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

File, 2005 committee priority bills. Mr. Clerk, LB 126.

CLERK: Mr. President, LB 126, a bill introduced by Senator Raikes and others. (Read title.) Bill was introduced on January 6 of this year, referred to the Education Committee for public hearing. The bill was advanced to General File.

SENATOR CUDABACK: Thank you, Mr. Clerk. Senator Raikes, you're recognized to open on advancement of LB 126.

SENATOR RAIKES: Thank you, Mr. President. Members of the Legislature, LB 126 deals with the structure of school districts in Nebraska and specifically with Class I, or elementary-only, districts. The proposal requires the assimilation of Class I districts into K-12 districts beginning with the 2006-2007 school year. It does not require that any school building be closed. All that is eliminated are Class I school boards. Included are procedures for distributing property now in Class I districts, and for protection of attendance centers. This proposal is a committee effort. The effort began with an interim study before the beginning of last session, and continued with significant revision and advancement from the committee last session. I want to thank the members of the committee for their work on this important issue and for their very diligent effort in bringing this proposal to you. A bullet sheet outlining the details of the proposal is coming to you. I'll go over the bullet sheet with you as time permits, but first I will focus on the policy issues. The time has come for us to move to a K-12 organization of school districts in Nebraska. There are several reasons. First, we can no longer afford a structure that requires administration and budgeting of an extra 230 separate local government units. This is especially the case when these units serve very few students and provide the service at a cost per student that, on the average, is higher than in K-12 districts, and in some cases astronomically higher. There is not documentation that student performance is significantly better under this high-cost system, especially given the demographics of the students served, and there's little evidence that parents and students prefer this structure when given the choice. You are being asked to increase funding of K-12 education in Nebraska by nearly

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

\$125 million in the upcoming biennium. This would increase state spending for K-12 education for the second year of our budget biennium to more than \$920 million, even without an increase in special education funding. There are no more important expenditures than those for K-12 education, and I hope you will join me in supporting that request. But I hope you will also insist along with me that the additional funding be provided only if we are willing to move to a more efficient and equitable organizational structure. Concerning equity, we cannot justify a system that allows students and parents, or taxpayers, to withdraw from the broader community that supports public education. You will hear the comment, quote, Class I's should be allowed to decide on their own when to close, end quote. Let me rephrase that, as follows. Quote, if you have an educational issue that should be addressed in your K-12 school, you cannot do so because I, the Class I board, can dictate that you use funds instead to support an expensive parallel elementary school, end quote. If a decision is taken to close an attendance center under the provisions of LB 126, then that is a local decision by locally elected school board members who represent both parents and students and the others who pay the local share of education costs. Everyone is needed to help support the K-12 education system that we all benefit from, and everyone should be allowed a voice in the decisions about how money is spent. Every teacher in our public education system deserves equitable treatment. We cannot justify paying teachers in Class I systems substantially less than those in K-12 systems given our need to attract retain an outstanding teaching staff. More on equity: We cannot defend a structure that allows those students most in need to be underfunded compared to those less in need. I repeat, we cannot defend such an arrangement. I will provide you evidence that our current organizational structure allows just such an arrangement. Finally, we cannot hide from our responsibility. This situation will not correct itself. The equity issues will not go away, and the longer we wait the more taxpayer money that is wasted on high cost per student and on schools that have no students. We can address these issues by moving forward with LB 126. I have prepared a four-part handout for you. It's white and it's got more than four pages, but I would ask that you look at this. The first page is a summary of information about our current school

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

organization. You see on that first page that we have a total of 488 school districts in Nebraska, putting us, by the way, in the bottom five in the nation in students per district. Two hundred and thirty-one of these are Class I's. The rest are K-12. These K-12 districts serve more than 97 percent of all the public school students in the state. So 47 percent of the districts, the Class I's, serve than less than 3 percent of the students. And the smallest 42 percent of the districts, the 241 Class I's with fewer than 50 students, serve just over 1 percent of the students. You see also that 56 counties have Class I's and the remaining counties have none, countering the belief that these Class I districts are necessary. Further, there are significant parts of the very sparsely populated areas of the state that are currently served by K-12 districts--Dundy County, Mullen, and Cody-Kilgore, for example--countering the notion that sparsity requires Class I districts. Finally, on this page is a table showing the average teacher salaries by class of school district using the most recent data. Even though cost per students in Class I's are higher, teacher salaries are lower because the structure is not efficient. Note also that assimilation of Class I districts would not create large school districts. The largest school district, OPS, has no affiliated Class I's. Most of the assimilation would involve small or moderately-sized K-12 districts, and many of these are schools experiencing declining enrollments and, as a result, have unused elementary capacity. The second page is the first of a table showing information about affiliated Class I schools. There are 122 of these districts that have no affiliation with a Class VI high school. I've not shown it on the table, but the hodgepodge of affiliations of these districts underscores the difficulty of curriculum coordination. Many Class I's are affiliated with more than one K-12 district, and some are affiliated with as many as five. There's a line in the table providing some information about every school in the group. If you turn to the last page of the table, which is page 5, there's information about some schools, as well as summary information on the bottom lines. Look at the line for District 065, Buffalo County. Two students opted out, one student opted in, and there was one resident student. The fall enrollment then was two students. Fifty percent of the students were option, and thirty-three percent of the resident students were served. The budgeted

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

amount per student was \$20,648. I did not pick the worst as an example. Look at Wheatland Public School on that same page. Now to the summary information. More students opted out of these districts than opted in by a margin of 372, and a total of 2,724 students are being served, including 1,681 students that are residents of the respective Class I districts. The next two columns are noteworthy. An average of 33 percent of the students served in each school optioned in, meaning that parents of these students have no voice in the...

SENATOR CUDABACK: One minute.

SENATOR RAIKES: ...governance of the Class I. But, on the average, the school served only 54 percent of the resident students. The primary mission of a public school is to serve its resident students. This strikes me as a shockingly low endorsement by resident students, even though the budgeted amount per student is nearly \$10,000, compared to a K-12 budgeted amount of more than \$1,000 less. A final point on this table: If you compare the cost per student for the 69 smallest schools, ten or fewer students, you get a read on the strategy of, quote, letting them fall away by themselves. The budget amount per student for these smaller schools is more than \$2,700 per student higher than the average for the 53 larger schools. And there is almost \$500,000 budgeted for six schools that have no students, and two more schools that serve no resident students are budgeted \$275,000.

SENATOR CUDABACK: Time.

SENATOR RAIKES: Thank you.

SENATOR CUDABACK: Thank you, Senator Raikes. You've heard the opening on LB 126. Mr. Clerk, a motion?

CLERK: Mr. President, Senator Raikes, I now have, Senator, AM0041, but I have a note that you want to withdraw that. That was an amendment, earlier amendment, you'd filed with me.

SENATOR RAIKES: That's correct. Thank you, Mr. Clerk.

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

SENATOR CUDABACK: It is withdrawn.

CLERK: Mr. President, Senator Raikes would move to amend the bill with AM0354. (Legislative Journal page 482.)

SENATOR CUDABACK: Senator Raikes, to open on AM0354 to LB 126.

SENATOR RAIKES: Thank you, Mr. President, members. The amendment that's before us at the moment is a technical amendment. I will explain that, but I would like to finish with the...with some more information here, because I think it's essential to the...to your understanding of the bill. If I can continue, please turn to page 6 on that handout, which is the first page of a table providing information about 109 Class I school districts that are at least in part associated with a Class VI high school. Here again, there are a hodgepodge of affiliations. Some are affiliated with more than one Class VI high school, and some are affiliated with a single Class VI high school but as many as four other Class III districts. Summary information is on page 9. Please turn there. A total of 5,200 students are served. Average option enrollment is 15 percent, and 75 percent of resident students are served, higher than for the affiliated group but less than a ringing endorsement. The budget per student is a more modest \$9,173. The bottom line shows what happens to the summary information if you take out Schuyler Grade School, which is by far the largest Class I, accounting for 16 percent of all the students in this table and more than 10 percent of all students in all Class I's in the state. The budgeted amount per student goes up by more than \$540, nearly as high as for the other group of Class I's. Again, the lower funding for this one school is enough to pull down the average funding for all of the 109 districts by more than \$500 per student. The final page on the handout, page 10, provides more information about the Schuyler Class I-Class VI system. There are seven Class I's. Four are completely affiliated, two are mostly affiliated, and one is partly affiliated. You see the breakdown of enrollment. You also see that all the ELL students and 94 percent of the poverty students attend Schuyler Grade School. Next, you see the actual amount spent per student for the respective elementary districts. Even though the Schuyler Grade School has nearly all the neediest

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

students, its actual amount spent per student is second to the lowest. It's funding per student is less than 60 percent of that for Abie Public School, a school that reported no poverty or ELL students and was the featured school in the World-Herald story this past weekend. The picture does not improve as you look at valuation per student, which is financial capacity to support school buildings. Valuation per student in the other Class I districts ranges from a minimum of 4 times to more than 15 times that in Schuyler Grade School district. In my view, the state cannot and should not be complicit in this sort of school organization and funding arrangement. Some additional points: You may hear that the state stand to look REAP money if this proposal is adopted. Grants total about \$7 million per year, and our estimate is that about \$1 million would be lost if Class I districts are assimilated. To prevent this \$1 million loss you would need to perpetuate the structure in Schuyler. You'll probably hear that this won't save any money, although this argument is much tougher given the fiscal note we now have. The revised fiscal note shows a saving of more than \$12 million per year. Because the decisions are left to K-12 boards in this proposal, the Fiscal Office is appropriately cautious. But consider that the amount budgeted to all Class I schools in the current year is about \$75 million. Also consider that only the 89 smallest Class I's that are less than ten miles from another elementary site are budgeted almost \$13 million and that many, if not most, of these are near elementary sites in K-12s that have available capacity. I'm convinced the potential gains in efficiency are considerable. You'll probably hear also that this is forced consolidation. It's forced consolidation of school boards. There is no forced consolidation of attendance centers. And the tax base has already been consolidated. This simply puts budgetary control in the hands of local taxpayers by providing the authority of the boards to all elected residents. The current situation is one of forced nonconsolidation by the residents of K-12 districts, and the majority of residents in many Class I school districts. Finally, you may hear some negative comments about me, personally. They are probably true. (Laughter) But keep in mind that I'm familiar with Class I schools. I attended a Class I school. Some of my current employers, business partners, and neighbors send their kids to a Class I school. In addition, I resist change. I simply and

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

firmly believe that the best interest of all of us, the greater good for the longer haul, is served by moving to a K-12 school organization. Thank you.

SENATOR CUDABACK: Thank you, Senator Raikes. You've heard the opening on AM0354, which is an amendment to LB 126. Those wishing to speak to that amendment are Senators Smith, Price, Hudkins, Stuhr, Beutler, Schrock, McDonald, Raikes, and Loudon. Senator Smith, on the Raikes amendment, AM0354.

SENATOR SMITH: Thank you, Mr. President and members. I'll try not to yell, even though my blood pressure is probably just as high as Senator Raikes'. Sitting back and listening to the details of the bill that I think are rather arbitrary, I want to point out that there are trends in Nebraska already. That is, the fewer districts we have in Nebraska, the more number of administrators. Evidence--you have a handout. When this issue first started, I happened to be at church. And I typically don't talk politics at church, but a constituent came up to me and said, Adrian, can you just make sure that our Class I schools are left alone? We're not asking for a lot. Just make sure they're left alone. I said, you understand that there's a pay raise in it for you. She said, I don't care, I like where I teach; I like how I teach; I like the number of students I have, even though I have to drive out into the country to teach those students; we have a good program. And that really got my attention. For as many Class I school districts as exist in Nebraska, there are probably as many different reasons that they exist. Now, Senator Raikes has suggested that some Class I schools exist based on racism. I can't say that I'm an expert on that, and perhaps there is an unbalance of enrollments based on those demographics. I don't know, but I can guarantee you that there are some other districts that aren't included in this bill that that issue, that very same issue could be raised. Now, it was interesting that all of a sudden, yesterday I think it was, a fiscal note came out that was (laugh) drastically different, drastically different. And I don't want to say that there's politics behind it, but I certainly wouldn't be surprised if there were. I heard quite some time ago that when there was a new high school built in Papillion-LaVista, it was built at a considerably lower amount, with fewer dollars, than

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

the schools in Senator Raikes' district, or at least some overlapping of school districts. It was hearsay, so I looked for the numbers. I asked for the numbers and I got the numbers and (laugh) they were even stronger evidence for inefficiency in Lincoln Public Schools than I was anticipating. My hat is off to Papillion-LaVista Schools, who built their new high school for \$82 a square foot. Lincoln Public Schools spent \$127 per square foot because they could. If we want to look for efficiencies across Nebraska, there's plenty of room in urban Nebraska. I see the Class I schools as some of the most efficiently run political subdivisions in our state. They gave up their budget authority several years ago. They didn't like that. That was basically a compromise in here. They gave that up. But I said I wouldn't yell. We have an issue before us...

SENATOR CUDABACK: One minute.

SENATOR SMITH: ...that we're going to spend a lot of time on this session, and gain what? Nothing. We're going to take away the livelihoods of many folks. Will the world come to an end? No. Will we force students to go to a school that they would choose not to go to? Yes. Nineteen eighty-nine, we brought option enrollment to Nebraska. Let's get rid of it this year, either directly or indirectly I guess. Why take those options away? They're very efficiently positioned. And when you see the trend in Nebraska that the fewer districts we have...we are closing school districts, basically, already by attrition, by local option already, without the state mandating it, one every two weeks on the average. I guess that's not good enough. But if we can make all districts look the same, pay everyone the same, make sure they have the same number of too many administrators, then we're all better off. I question that fact of whether we're all better off if everyone looks the same.

SENATOR CUDABACK: Time.

SENATOR SMITH: Thank you, Mr. President.

SENATOR CUDABACK: Thank you, Senator Smith. Senator Price, followed by Senator Hudkins and others.

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

SENATOR PRICE: Mr. Speaker and members of the body, I have received so many e-mails. All of them are against LB 126. I predict this will probably be the most emotional issue that we face this year in this legislative session. I became a member of the Lincoln School Board in 1985 and served there for 14 years before coming here to this body. At that time, there were 600 and some school districts in the state. Now we're down to around 400 and some. These school districts have decreased in number due to consolidation with financial incentives, and this has been very, very good, and very cost effective. Now we're looking at Class I schools and, as I said, I've received lots of e-mails, letters from students in Cozad and lots and lots of e-mails that are just passionate about saving their school. When you lose a school, you lose your identity, and this is the way people feel. They don't come to town to shop. They don't come to town to buy their groceries. They've lost their identity. We're not asking them to lose their schools. We're just trying to make them make a better choice. Yes, this is going to be a mandate. It's going to be very emotional. And I look at small schools. I was a product of a very small school. We didn't have the opportunities that students have in larger cities. There are Class I schools that are just outside of metropolitan areas. They're very proud of their heritage. They're probably more of a private school setting than they are a public school setting, but there's lots of pride there. But I'm looking at opportunities for all students. Will they lose their identity in a large school district? Could be, but I'm just looking at efficient use of our dollars. And change is very, very difficult. I figure we will probably address this and readdress this with great passion the next few days. But we need to have a good healthy discussion on this, and whatever is...whatever will be, will be. Thank you, Mr. Chair. I return my time to you.

SENATOR CUDABACK: Thank you, Senator Price. Senator Hudkins, on AM0354.

SENATOR HUDKINS: Thank you, Mr. President and members. I want to respond to, first, two things that I heard on the floor. Senator Raikes said that there would be some disparaging remarks made about him. I've heard those remarks, Ron, but I will not

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

be making any of them. In fact, when we were both back in high school, I detasseled corn for Ron's father. Ron's younger sister and I were the same age and we would ride that machine through the field, and we would talk about, what else do teenage girls talk about, boys. And we all thought that Ron was so cool. Well, Susan didn't, but she's his sister. But the rest of us thought he was so cool. Now, Ron, you're still cool, but on this issue you're wrong. And, Senator Price, you said that we should allow the Class I students to make better choices. That's why they are where they are, in many cases, because they have made the best choice, the parents have made the best choice for their students. For whatever reason, a child moves from a larger K-12 to a Class I setting. It could be just a personality conflict with a teacher. It could be bullying occasions in the larger school. It could be the more one-on-one help. It could be innumerable things. And there are reasons why people that are in the Class I move to a larger area: it's more convenient; their parents work in the larger city and they don't have to spend so much time at the baby-sitter's that way. So, as far as I'm concerned, the better choice is where the parents want to send their children. We have four issues that are very, very important to citizens of Nebraska. Probably the first on that list would be education. Of course, you get an education at a Class I, you get an education at a K-12, and who's to say which is the better education? However, statistics have shown, and I have some in this pile somewhere, that says that the graduation rates for the larger schools are lower, and the graduation rates for the smaller schools are higher. I'll keep thumbing through here. Also, the academic probation rates, if students go on to college and then they get into trouble scholastically, it depends on the size of school that they are from if they are in academic probation, academic problems or not. Schools that have 1,000 or more students, their graduation rate, let's see, it's 84 percent. That's pretty dismal. If you go to less than 70, the graduation rate when those students go on to high school is 97 percent. Now, what is the reason for that? Individual instruction? More parental involvement? Of course, because when you're in a Class I setting you do have more one-on-one instruction. If you're in the 2nd grade and the 3rd grade is having their reading lesson, you're going to be listening to that so you get built-in enrichment class. If

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

you're in the 4th grade and you're having a little trouble with your reading, you're going to be listening to the 3rd grade or maybe even reading with them, so you have a built-in remedial program.

SENATOR CUDABACK: One minute.

SENATOR HUDKINS: The involvement of the parents is what is so important. I would wonder what the percentage of parents in a K-12 setting that actually go to their parent-teacher conferences. I would bet you a cookie or two that at a Class I parent-teacher conference all of the parents are there, not just one but both of them. We are going to be talking about this for a while. Yes, it's probably an emotional issue, but we are not going to show our emotions on the floor. We're going to be dealing with the facts. We're going to tell you about the graduation rates. We're going to tell you about the parental involvement. We're going to tell you about the curriculum offerings. We're going to tell you about the money. So there are...

SENATOR CUDABACK: Time.

SENATOR HUDKINS: Thank you, Mr. President.

SENATOR CUDABACK: Thank you, Senator Hudkins. The issue before the body is AM0354, offered by Senator Raikes to LB 126. Further discussion, Senator Stuhr.

SENATOR STUHR: Thank you, Mr. President and members of the body. First of all, I do want to thank Senator Raikes for his work that he has put in. And also, I wanted to share with you, in the year 2000 alone, this is some of the materials that we worked on. So this is not an issue that we are just flippantly, as a member of the Education Committee, doing. It is something that we have spent a great deal of time, effort. We've taken hearings across the state so that we could have input from all areas to consider what is before us. It is an emotional issue, as we have said before, and serving on the Education Committee, any time we talk about schools and we talk about children, it is an emotional issue because we all want to do what is right. As

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

a rural senator, I know I've been receiving some e-mails and letters and a little bit surprised on the position that I'm taking, because I do support what we are trying to do, and that is to assimilate those Class I's into a K-12 system. I believe that the time has come. I'm thinking back that I also attended a Class I, as I know many of the people in this Chamber did, but times have changed. I think back why we originally had Class I's. We had Class I's because we had a lot of people out in those rural areas. That was one reason. The second reason, we didn't have the transportation. When you hear probably maybe some of your grandparents talking about riding to school on a horse or walking, that's what most of us did. We didn't have the means of transportation that we have today. Also, our roads, we had dirt roads. Some of you may not remember that, but we did have dirt roads. Today we have paved roads. Today we have declining enrollments in our rural areas. In our particular county, we did away with Class I's 40 years ago. Times change, and I think that's what we're talking about today, is that let's look at some efficiency. We have very limited resources in the state of Nebraska. We all know that. We've been through...we've been through some very difficult times in the last few years. I think we all want to use those resources the best...very best possible way that we can. I think in some of the hearings and some of the studies that have been done, it was brought to our attention that we have a lot of levels of administration. What we are trying to do is to assimilate those into this K-12 system. There are some great Class I's, I know. We can all...we all know that. But there are also some Class I's that are not so great, and I think I'm particularly concerned about those that are located a couple miles out of town. I'm very concerned about keeping our rural communities, but I think that there are some provisions included in the bill that if a school is located in a community they will be able to continue for a certain number of years, if a school is located...

SENATOR CUDABACK: One minute.

SENATOR STUHR: ...I think there's a ten-mile provision. But we're talking about those schools that are right outside of a town and many of those are in the eastern part of the state. We

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

know many schools must be located in those areas where distance is a factor. And I have faith. I think one of the things that we're trying to prove in this bill is that there is local control and the fact that those local boards will...that local K through 12 will make the best decision. So I know that we're going to continue this discussion and I think it's going to be a very respectable discussion and...but I do think that we have to look at and manage the limited resources that we have in this state and use them in the best possible way. Thank you.

SENATOR CUDABACK: Thank you, Senator Stuhr. (Visitors introduced.) On with discussion of the Raikes amendment, Senator Beutler, followed by 13 others.

SENATOR BEUTLER: Senator Cudaback, members of the Legislature, I first came in the Legislature in 1979, and Class I school district issues were in front of us even at that point in time. And we've dealt with them almost every year, in one way or another, every year I've been in the Legislature. And at the beginning it was a discussion that had two parts. One part was simply a very good and needed discussion, a discussion that's still good and needed, about the value of education and the pros and cons of educating children, all our children, whether it's in a Class I or a Class VI, the whole question of the structure of education and the economics of education as it relates to the child, and what the children can learn. And then, as you're all quite aware, there was another big part of it that used to be a lot bigger, but that was the whole problem of declining populations in the rural areas and the question of schools as really an economic development mainstay, the whole problem that's epitomized by the statement that you often hear: If our school goes, our town goes. And that's a hard, hard discussion for all of us, and I want you to know that the Legislature has been sensitive to that over the years; that in fact, in my opinion at least, the slowness with which we've dealt with the Class I problem over the years is a tribute to the sensitivity of the Legislature to abrupt changes in school systems that may cause even "abrupter" changes in certain towns in rural Nebraska, but what we've done over the years is try to separate the two issues and to slowly take out of the equation and out of the argument those things that have to do with economics. But

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

we never did it directly; it was always indirectly through one part of the formula, through option student changes, in a whole number of indirect ways, and the result of all of that has been that, in fact, for these reasons and because of the continuing decline in some of the rural areas, has been a substantive decrease in the number of Class I's over that 25-year period. And now we've come to this bill and one might say finally we're to the point of an argument that should be straight up on education, up or down on education, not involving compromises with rural development. And yet, as I look at this bill, the Chair of the Education Committee has once again, at least in my opinion, made compromises to small towns that don't really relate to education. And I'm not being critical about that. In fact, I'm going to ask him about it because I want to be sure I understand this particular part of the equation. But it has to do with pages 44 and 45 in the bill, and this is the part that has to do with the ability to close attendance centers.

SENATOR CUDABACK: One minute.

SENATOR BEUTLER: Those attendance centers, there's certain number of student criteria, that could be argued on an educational level; distance from the school, that can be argued on an education level. But the third factor that we're not going to get a chance to discuss, Senator Raikes, but I would like you to address when you can, is the fact that if it's the only attendance school located within the boundaries of an incorporated city or village, in certain circumstances it can stay open. And I can see no educational reason for that, and I assume you've made a compromise for other reasons which may be reasonable, but I would like to understand why that factor is part of the equation for...

SENATOR CUDABACK: Senator Raikes, you have ten seconds.

SENATOR BEUTLER: ...for closing attendance schools.

SENATOR CUDABACK: You have ten seconds, Senator Raikes.

SENATOR RAIKES: If I could, Mr. President, I'll try to address that in a later speaking time.

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

SENATOR CUDABACK: You may do so. Senator Beutler, your time is up. Senator Schrock, followed by Senator McDonald and others.

SENATOR SCHROCK: Mr. President, members of the Legislature, Senator Raikes, this is personal. I live in a Class I school district. I attended a one-room schoolhouse for six years, before they consolidated into a bigger school. For the first six years of my educated life, there were no girls in school, and some of you wonder why I act a little strange at times. (Laughter) The last two years, my 7th and 8th grade, I got to interact with the opposite sex, and that's when the trouble started, I suppose. But I received a good education. My father was president of the one-room school board. He was president of the new consolidated school district, which I live in today. I went to school there. My sons went to school there. My grandchildren are going to school there. I like the school. It's a great school. They have about 15 students opting out on the north side, because Elm Creek runs the bus, and about 15 people, for whatever reason or another, opt their students and drive out from Holdrege, 12 miles a day. That means it's 48 miles a day just to send their kids out there to the country. It's about a 60-student school right now. Since it first opened in 1954, there's two other Class I's that melded into it. So I like my school district. And this is personal, it is. Senator Raikes has been good to work with. But I do have to tell you some things that trouble me. I have a rather large rural district. I can't compare to some of you, but it's amazing to me the only Class I's I have left are around the biggest town. Stop and think about it. Most of the large Class I's are clustered around large towns, and why? Because of the tax policy this body had years ago. The farmers didn't want to pay for the city's education bill, and so they built their Class I schools up around town. I have a Class I a half a mile south of Holdrege with over 100 students and half of them come from Holdrege. They choice out. Now, the problem in my county is that the student population is declining and we're still keeping all the schools open. We have 7 school administrators in my county; less than 10,000 people. And the thing that's bothered me, I...in my 13th year in the legislative body, out of 15, I started 15 years ago, when my hair wasn't gray, the thing that

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

really bothers me is the fact that they were bickering 15 years ago and they're still bickering. The Class I's do not get along with the primary district. They're always fighting about something and they're always saying, my school is better than yours, and send your kids out here. Funk runs an ad in the newspaper, saying, send them out here because we have a better education. Never mind the fact they spend \$3,000 more per pupil. By the way, Funk is an incorporated village and that school will be protected, but they would no longer have their own administrator, which they could finally start working together. They'd still have their school; they'd have one administration. And you know what's bothered me? My parents graduated from Holdrege High School, I graduated from Holdrege High School, my sons graduated from Holdrege High School, and I think my grandkids will graduate from Holdrege High School. I don't like change, but I've never been able to run for the school board there and I've never been able to vote for school board members there. I think it's time that changes. And I think that board will take a very objective look if we pass this bill on what's going on in education in our county, and there has never been an overall objective look because you can't do it. You just can't do it. Not only do I have 7 school administrators in my county, I have 21...I have 35 school board members in my county, and they don't work together. If they were working together,...

SENATOR CUDABACK: One minute.

SENATOR SCHROCK: ...if they were sharing administration, if they were...if they would quit bickering and try to solve the financial problems...I've got one north of Holdrege--this is the last year, thank goodness--and they're a good school, good people, but their cost per pupil this year is over \$20,000 per student. And Holdrege said, yes, we'll let you stay open another year, we'll approve your budget. Their cost per pupil is over \$20,000 per student and it's four miles north of Holdrege. I am going to reluctantly vote for this. I think it's time. My school is over ten miles from town. Senator Beutler, that may be the reason that Senator Raikes put that provision in. And I will also tell you that Funk is in my legislative district. It has a fairly nice school there, but

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

it's part of an incorporated village. They have an elevator. They have a fire department. They have a cafe. It's part of their community. I'd hate to take that away from them. And even my good friend Senator Cudaback, who's probably not going to vote for this bill, has a Class I school district across from his house in an incorporated village...

SENATOR CUDABACK: Sorry, time is up.

SENATOR SCHROCK: ...that would be protected. (Laugh) And he is shutting me off. (Laughter)

SENATOR CUDABACK: Sorry about that. Senator McDonald, followed by Senator Raikes and others.

SENATOR McDONALD: Mr. President and members of the body, you know, if this is about money, I think that we need to step back and look at the fiscal note. And it has been said that LB 126 is actually the same bill as we had last year, LB 1048. They only changed the year up one year, as if we would have passed it last year. Fiscal note of that is relatively small. We had a fiscal note that was presented at the hearing, on January 11 it was put together, and was a savings of \$2 million to \$3 million. Now, as of yesterday, we have a new fiscal note saying that it's going to save over \$12 million. Now, what are we to believe? Where does this information coming from, and what's the assumptions in the new fiscal note? This is not the same fiscal note that we had last year, though the bill is the same. It's not the same fiscal note that we had when the hearing was presented. It's a new one. And this is to assume that no attendance centers will close. This is just assimilation. But, yet, the new fiscal note is saying that these schools are all going to close. I'm bothered by the new fiscal note, because we've seen so many changes we don't know what to believe and what...where they got the information for the new fiscal note. Why wasn't this brought to us at the hearing time? Had a whole year to prepare for this to make this correct. This is, to me, not the correct way to do it. If we have a new fiscal note, we should have known about it when the hearing was brought up. When we talk about assimilation, and we're assuming that it's not...these schools are not going to close, but let's face it,

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

they are going to close. And many (inaudible) these assumptions are in the view of the Chairman. And not to say anything away from Senator Raikes, but his words were, in my view. Well, I think we remember Senator Chambers saying the other day if we had economists, one end to the country to the other one, none of them would agree, and that's probably so. Economists deal with numbers. And we're not necessarily dealing with numbers here. We're dealing with our children. We're dealing with our future. Class I schools mean different things to different people. In the eastern part of the state they mean one thing. They mean the opportunity to learn in a different environment than maybe the larger school in that area. In our smaller communities, our small Class I schools mean entirely something else. So we cannot lump all the Class I schools together, saying they mean the same thing, because they certainly don't. Some children learn in different environments, and that parent knows best what the environment for that children is. If it's a smaller school, where they get more one-on-one attention, that's important to them. If it's a disciplinary problem, maybe...maybe it's a poverty issue. Maybe that child doesn't come with the designer jeans. Maybe that child has a speech defect and the other children are making fun of that child. That's not a learning environment that our child can be productive in. And let's face it, if that child does not get the learning environment and get the education that it needs, it will not necessarily be a productive student. It will not be a productive citizen. And as we look at our larger schools, and we're forcing our small schools to close, let's look at Columbine. I think if some of those parents had the opportunity to opt their children into another school, they certainly would have. We don't want a Columbine here in state of Nebraska. Not to say that it will happen. It can happen anywhere. But our parents had the reason to opt our children into various schools. Some of our parents home school. They have reasons to home school. That's the parents' choice.

SENATOR CUDABACK: One minute.

SENATOR McDONALD: We have parents that opt their children into religious schools. That's their choice. We as parents want the best learning environment for our children, and that's what many

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

of our Class I's do. We can't count option students when we're counting the resident students. There's a reason sometimes that the option numbers are high. Maybe that school doesn't offer 7th and 8th grade, and those students have to option into the local high school because there is no seventh and 8th grade, but yet those option numbers run against them when it comes to resident students. So there are a lot of things involved in this, and a lot more than just numbers, and many of those numbers come from our local taxpayers, where they get the option to decide whether they want that school to raise their property taxes or not. And if you listen to most of them, and most of the surveys that were out there said our schools are important and we will pay the taxes to keep them open. Thank you.

SENATOR CUDABACK: Thank you, Senator McDonald. Senator Raikes, followed by Senator Loudon, Janssen, Byars, Engel, and 11 others. Senator Raikes.

SENATOR RAIKES: Thank you, Mr. President and members. I must apologize for apparently yelling. I didn't know I was doing that, but probably was. And I also did not get to the amendment. Let me draw your attention to a bullet sheet titled "Assimilation of Class I School Districts." You can either do as Senator Beutler has done and read carefully every word of the 74-page bill or, if you would like, take a look at the bullet sheet, which I think covers the main elements. Very quickly, the...all Class I's are to be assimilated 2006-2007 school year. There are sort of a division that's discernible of Class I districts that are affiliated other than with a Class VI district, and the ones that are affiliated with a Class VI high school. That distinction is noted out. There's a set of points about the distribution of territory once these districts are assimilated, where the property that is now in the Class I districts goes, how it's combined in the K-12 districts. That's the first main group of bullet points. The second one has to do with protection of attendance centers. On the distribution bullet points, keep in mind that our underlying theme there was to have the property move with the students. So if students leaving a Class I district typically go, or go in a big percentage, to a particular K-12, then the property in that Class I goes to that Class (sic) 12, so as to support the

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

educational operation in that Class I district...or K-12 district. The protection of elementary attendance centers, the thing to notice there first off is that there is no requirement that any attendance center be closed. That is not mandated. You're simply allowing the K-12 board, locally elected K-12 board, to make that decision. There are some restrictions on what they can do based on number of students served in the Class I, whether or not it is ten miles or more from a village. And there are two levels of protection: one of them that basically prohibits closing of the attendance center; the other one would allow it, but only with a three-quarters vote of the school board. So...and then, finally, the amendment which is before you now is, in fact, technical. I would be happy to have any...or answer any questions that you might have on that. Let me make one other point. If I do yell it would be about comments that somehow this fiscal note was conjured. That is absolutely incorrect. The integrity of our Fiscal Office is beyond reproach. I didn't talk to them before the first fiscal note or before this one. The fact is they got more information based on what was available from the Department of Education, and they have clearly stated in that fiscal note exactly how they came to their conclusion. It is my estimation that they are still very conservative, and I will be happy to make that point. But for someone to argue that we were somehow lied to or cheated by the Fiscal Office is nonsense. In fact, I would yield some time to Senator Pederson, if he would like to comment further on that.

SENATOR CUDABACK: Senator Pederson, you have about 1, 15.

SENATOR D. PEDERSON: Thank you, Senator Raikes. Just a brief comment. I'm very concerned about the comments that have been made on this floor about our Legislative Fiscal Office. I have served on the Appropriations Committee for nine years and I have never once found any area where any fiscal note was determined based on anything other than the facts involved. And I just think that this is kind of the heart of how we rely upon our fiscal evidence, and I just want to tell you that it's not appropriate to be saying that anything that they do is based upon a political motivation, because I have never found it. It isn't...I am sure it isn't in this case. I spoke with the

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

Fiscal Analyst this morning about that fiscal note. She said, frankly, I just have more information now than I had at an earlier time. So thank you, Senator Raikes. I'll yield my time back to you.

SENATOR CUDABACK: You have 30 seconds.

SENATOR RAIKES: Thank you. I'll just comment quickly on a couple of the other notes I've heard. I can understand...well, in fact, maybe what I should do is put my light on and try to respond further, as the discussion goes on. I'll stop here. Thank you.

SENATOR CUDABACK: Thank you, Senator Raikes. Senator Louden, followed by Senator Janssen and others. Senator Louden.

SENATOR LOUDEN: Thank you, Mr. President and members of the body. As I listened to how some of these people talk about their Class I's and their different areas, what I would like to point out is that all Class I's aren't created equal. Some of them are part of a Class VI district, and those of us that are in Class I districts with a Class VI, we get to vote on the high school board of directors and have a part in the operation of the high school district that we're a part of. And in the western part of the state there's many of these schools. If you'll notice in this handout that Senator Raikes put out, and he goes to this Table 6 (sic), and some of the schools there, your Valentine, your Gordon Junior High, your Rushville, your Oshkosh, these are all schools that are all Class VI district with your Class I's affiliated in there. Several years ago, when we were trying to consolidate schools, at one time the only way you could consolidate a school was to join a K-12, and somewhere back there in the eighties or so, why, in one of the Legislature's weaker moments, they allowed Class VIs to be formed, and of course at that time there were many Class VIs formed out there in the western end of the state and they've worked quite well ever since then. What you're trying to do now with LB 126 is plum wreck those, and you're using some of the statistics from your Class I's that are affiliated with Class III districts in some of the other areas. I think it was mentioned that you had several administrators in one county and

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

that sort of thing. And out in our areas where we have our Class VI, usually the Class VI superintendent is the administrator for the Class I's that are in that district, so it is quite an efficient means of operating school systems in our rural areas, and I would hate to see it shot to pieces because there's somebody that's got some school districts within a mile of town that they're concerned about. And perhaps if those people want to do that and are willing to forego their vote, or whatever, that's up to them. Any time someone opts a student into a district, they do not have any voice in the vote in that district. It's always been in there that you could either opt them in, but if for the days of option, why, if you wanted a student to go into that school district, you had to move in there. And I think the law is that if you've been in the district for ten days or have school-age children, you're eligible to vote on...at school meetings. So that it isn't a matter of worrying about voting. That can be resolved. The matter if the people aren't getting along in areas and been fighting all those years over their schools, that's something that it's a local issue and really shouldn't be...have legislation brought that affects the entire state just to take care of some local issues on that matter. I think with...with the Class I's we've been able to educate children in rural areas quite well. It's worked out for several years now. It's probably the best that I've ever seen schools operated in the years that I've been involved with schools. I was...it was over 40 years ago when I was first on a school board and I was one there for 30 years. So I've been involved with them quite a little. Some of you talk about being here 15 years ago when they were fussing about schools. You can go back further than that, and I always classified it the school wars of the seventies, when we were being forced to close, and it goes clear back to 1949, when there was something that needed to be done. And it was done then and I think at that time there were school districts that didn't have any students and they didn't have to have schools.

SENATOR CUDABACK: One minute.

SENATOR LOUDEN: At the present time, as these schools are continually being...running out of students, if you notice on

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

your page 8 down there, Boiling Springs Public School, that's a little school in there north of Smith Lake. They have two students and they've opted them in someplace. They...their money is being budgeted and finished and out. They're probably finished paying for their schoolhouse that they worked on here a few years back, and that school will be closed and be one more of them gone off of there. So there's some of these schools that are, when they're put on the list here that are probably out of business, they've probably got some payments to finish up on their operations, and as time goes on they will be out of...be extinct. I think we need to consider how we're doing this thing. Than rather create all these schools so that we think they're all equal and treat them all alike,...

SENATOR CUDABACK: Time.

SENATOR LOUDEN: ...I think we should need to overlook it. Thank you, Mr. President.

SENATOR CUDABACK: Thank you, Senator Louden. Senator Janssen, followed by Senator Byars and others.

SENATOR JANSSEN: Thank you, Senator Cudaback. Members of the Legislature, this is probably one of the most controversial bills we'll hear this year, and there's a lot of sentiment. People don't like to see a change. Yeah, I really don't have a dog in this fight. I have one Class I school in my district. There used to be, oh, I don't know how many, several, several of them. I went to a Class I school till I was in the 5th grade. My sister was four years older and she went into high school in a town close by. My dad said, I'm not having one kid go one place and one the other; you're going to town school. And I thought my world was going to end. I could just see those big bullies in the town school. Well, it took about three days and a couple of bloody noses and then our ground was marked out and the line was drawn in the sand and got along just fine. We have something before us today that I know, I know the feelings of some of my colleagues. You don't like to lose that identity. I have the one Class I that I have left in my district. The cost per...there are 11 opting out of that district, 3 opting in; the fall membership was 4, next year it will be 1; and the cost per

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

pupil is over \$16,000. Well, that school board has finally seen the light and they're closing, so I have none left. I have one, two, three, four, five K-12 systems in my district, and some of them are looking at merging with other schools. So you see these things...of course, I'm talking about the eastern part of the state. I know it's a little different. But, really, it isn't. Now, you look at...if you're thinking that all the Class I's in your district are going to close, that's not true. That won't happen. Maybe we should go back to the idea I had several years ago, and I got...I practically got laughed out of the Education Committee. I introduced a bill to have one school district per county; not a bad idea. Maybe this is what we should do. And you know, will your communities die in these small towns? They don't. Community that I have a business in, you can't find a parking place on a weekday or a weekend. You have to look for a parking place. The communities surround around the new district, and it's the place to go. I think we probably have too many schools in my district. Geographically, it isn't that large. There are some schools that are looking about merging now with another school. So the debate is going to be hot and heavy on this subject. I shouldn't have a dog in the fight, but I'm going to...I think that this is the way we should be going. Senator Raikes is look...taking a...he's going to take a big beating on this, but I think something has to be done. I'll give the rest of my time to Senator Hudkins. Thank you.

SENATOR CUDABACK: Senator Hudkins, about one minute.

SENATOR HUDKINS: Thank you, and that's all I need probably. But I would ask Senator Raikes a question, please.

SENATOR CUDABACK: Senator Raikes, would you yield to a question?

SENATOR RAIKES: Yes.

SENATOR HUDKINS: Senator Raikes, the amendment that you have before us, could you tell us what that means in 6th grade language?

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

SENATOR RAIKES: Which? The AM0354?

SENATOR HUDKINS: Yes.

SENATOR RAIKES: Okay. It is technical. There is...the first part is a date change from September 1 to September 10, and this would accommodate the statements from Class I districts about how they're going to assign property. The second one deals with an issue whereby if you have a Class I school district that has zero students going to an affiliated district or affiliated K-12, there is no provision in there right now for what you do with the property in that instance. There could be two ways that would happen; is one is that they simply had no students...

SENATOR CUDABACK: Time.

SENATOR RAIKES: I'm sorry.

SENATOR CUDABACK: Thank you, Senator Hudkins and Senator Janssen, Senator Raikes. Senator Byars, your light is up, followed by Senator Engel.

SENATOR BYARS: Thank you, Senator Cudaback. This is an extremely emotional issue and extremely political issue. I can certainly understand those people who are advocating strongly for Class I schools for all sorts of reasons. They believe in the quality of the education that the students are receiving in those schools. They see uniqueness as far as geography, demographics is concerned. There are a lot of reasons to be supportive of not closing Class I schools. As a member of the Education Committee over the past two legislative sessions, I've been very ambivalent on this issue. I have waffled back and forth and, with a lot of hesitation, have come to the conclusion that I am in support of LB 126. It was not an easy decision to make. I had a lot of input from...I think I have three Class I districts in my legislative district. All of the parents who are educating their kids in those districts are very adamant about the fact that they want their kids educated there and they don't want us to mess with that, and every one of them reminds me that they vote. And that's why I say it's political, because I think many of the legislators in this body are faced with a

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

situation, particularly if you have a number of Class I schools, you're getting a tremendous amount of pressure. I don't think you're hearing from a lot of the other constituents you have that might have a different point of view. I started reaching out to people in my district, other than those people that were in the Class I's. And I don't mean just to school superintendents and school board members in larger districts, but to the average citizen, the people paying taxes. And obviously, they did not have the volumes of statistics and facts that we have, but very overwhelmingly they were telling me, this is a change, Senator, that needs to be done and you need to have the political will to do it. I've had a problem for a long time, and it possibly could be a point of the whole option issue, but as I look at many of these school districts and I look at the school districts in my district, I see one of my school districts has 9 percent of the children that live in that district that are being educated in that schoolhouse; in another one, less than 43 percent of the kids that live in that district are being educated in the school district; in the other one, 26 percent. I have a real problem with the fact, are we allowing a privatization if you...in effect, of Class I school districts? I'm very concerned about that, but I've come to a conclusion. Many of those parents are not happy with my decision. I respect them and I respect them for fighting as hard as they can because they believe in what they're doing. But I think what...what the Education Committee, and not just Senator Raikes, what the Education Committee has proposed in LB 126 is good public policy. Does one size fit all? Senator Loudon, I don't think it does, and I haven't been able to figure out how we can tweak this to make it any different than do the assimilation piece where the school, the attendance center, does not have to be closed. The K through 12 board can make that decision not to, and if it's a transportation issue, if it's an issue that is just plain as the nose on you face, I think they'll make the right decision. And so please look past the politics, try to look at what's good policy,...

SENATOR CUDABACK: One minute.

SENATOR BYARS: ...and make your decision accordingly. And I want to thank all of my colleagues who are standing up very

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

strongly in support of their Class I school district, but look hard at the total situation. Thank you very much, Mr. Chair.

SENATOR CUDABACK: Thank you, Senator Byars. The issue before the body is advancement of LB 126 and a motion to amend that. On with discussion. Senator Engel.

SENATOR ENGEL: Mr. President, members of the body, I know this issue has been discussed for the last several years. I know it's an emotional issue, and especially out in the rural areas. I just want to comment a little bit about...well, two or three things here. One, I believe that...and if you can go to a private school, you're going to get more attention. I realize that. I sent my children the first eight years to a private school, parochial school, in South Sioux City, Nebraska. In fact, I served on that school board. Was my choice with my dollars. And then they went on to public school. We have a great public school system in South Sioux City. I served on that school board for eight years, and at that point in time when I served on that school board we closed two Class I schools. We didn't assimilate them. We closed them because they were within a two-mile area, two miles from South Sioux City. It was just, actually, those particular schools were just little tax havens. Now, we had...we had some controversy there too, Senator Raikes. Fact that...and one of the school board...our superintendent, I said let's have it in our meeting room; we won't get so many people. We had it in the auditorium and it was packed, and it was very emotional. And the...but the thing is, we did it. It was the right thing to do then and it's the right thing to do yet today, and people have accepted that fact. And we do have a good...we do have a good school system. But as far as the Class I schools, in my district I only have one, so...and that was a miracle, really. It was three years ago we had a tornado came through Jackson, Nebraska. It wiped out the houses on the north side of the Catholic Church, hopped over the church, didn't do any damage, went over and destroyed a school, was built in 18...in the 1800s. My mother used to go there; my grandmother taught there. It is a Class I school. It wiped it out. No one was hurt. That's the first miracle. Second miracle, they got a new Class I school. How that happened I still haven't quite figured out, but they did. And

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

that school, it will be affiliated probably with Ponca, Nebraska. Now, that building, that structure, that attendance center will probably never be closed because that's a growing bedroom community and there's many...there's all kinds of students to attend that center. So that facility will probably never be closed because it...but it will be assimilated. So I believe that...and many of these other schools will not be closed, the attendance centers will not be closed, because of the remoteness. They cannot do that. But those within close proximity to another school, I personally think they should be assimilated. Again, I agree, if you can have eight or ten students in your school, they're going to get more attention, because why wouldn't they? But can we afford that? I know in the constitution, Article VII, Section 1, 1875, says, "The Legislature shall provide for the free instruction in the common schools of this state of all persons between the ages of five and twenty-one years," and that's our obligation. I think we should do that because I totally believe in the value of education. I've always said to every time...every time I talk to students, education is the great equalizer. If you get a good education, no matter where you came from, your economic or your social or ethnic background, it doesn't make a bit of difference. If you get a good education and with effort on your part, you can do anything anyone else can do. So I do believe in the value of education. I always have and always will. As far as my good friend Senator Smith talking about more administrators today, I realize that, but I don't believe it's because we have fewer schools. I think it's because we're over administered in so many areas. I know of school districts where administration takes over above and beyond teachers, as far as I'm concerned. They keep hiring more and more and more administrators and more staff. However, I do have some in my district who are sharing, a couple schools, high schools, are sharing a superintendent because of their size and the...their budgets and so forth. So...but I do believe that your local school boards can certainly do a lot as far as how many administrators you have in a school district, and I think that's up to your school boards to look at that, that situation--do we need all these administrators...administrators and so forth? So, with that, I'll yield the rest of my time to Senator Raikes, if you'd like it.

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

SENATOR CUDABACK: Senator Raikes, about 35 seconds,...

SENATOR RAIKES: Okay.

SENATOR CUDABACK: ...if you wish to use them.

SENATOR RAIKES: Thank you. I'll try to finish quickly with the amendment. And, again, I mostly would offer to answer questions. This...there's another provision to correct cross-references. There also is language in there that would help the administration from the standpoint of the Property Tax Administrator. And, finally, there is some date corrections for certification of budget authority for Class I school districts. So I think all the issues are, indeed, technical here. Thank you.

SENATOR CUDABACK: Thank you, Senator Raikes. We're discussing the Raikes amendment, AM0354, to LB 126. Senator Friend, followed by Senator Smith and others.

SENATOR FRIEND: Thank you, Mr. President. Members of the Legislature, a lot of people stand up, start going into how they feel about the bill, where they stand on it. We're...this is early. We got a long way to go. I know how I feel, but I'm not going to tell you. What I am going to do is share a couple of things, share a story, a couple of stories. Actually, it happened twice to me. Two different people: one actually not a constituent, just an average citizen; the other one more of an advocate for Class I schools. The conversation went...both conversations went...they were pretty similar--the positives, the positive approach, the positive things that Class I schools can do. Set class size aside for a second. Focus, parental focus, the focus of a curriculum; teacher empowerment--some of the positives that everybody looks for in education for their kids. Both these people pretty much wrapped up their conversation as I sat there, and I said, you know what--and there were some negatives and they brought those out, and Senator Raikes and everybody on this floor could speak to the negatives--but the positives, I said, that sounds great, that's awesome, I'm open-minded about this. But you know what? I get

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 28, 126

all that for my kids. I've got three kids in Omaha. I get that, but I pay \$2,800 bucks a year to get it. Okay. Here's the way I see it. Now, it's my opinion. You can laugh me out and then later on I'll give my final conclusions after I've heard all the argument. The Class I school argument, or the question, is interesting, it needs to be had, we're out here discussing it, but I think it's the wrong question and I don't think we're going to be able to come up with an answer when we're asking the wrong question. Again, my opinion is, my humble opinion, the answer to Class I issues in this state or similar types of situations nationwide is a state policy or a fundamental recognition of school vouchers; tax credits; attitudes toward charter schools in areas where we really need it; another component being an attitude toward home schooling from state policymakers that's, shall we say, more user friendly; an attitude toward virtual type of education that's more user friendly from a state public policy standpoint. I'm not accusing anybody, anybody at the state, of not being more user friendly, but again, remember the \$2,800 bill that I pay. I don't have any tax credit for that. I talked last week about Senator...or earlier about Senator Connealy's bill, LB 28. I talked about inequities in our tax code. This is one of the problems that I was referring to. The reason something like Senator Connealy's bill is a halfway decent idea is that because some corporations in certain areas of this state can promote this type of idea for Class I's that they don't have an access to or an opportunity to deal with right now. You live long enough...I'm only 43...well, 43, I'm 43 going on I don't what. (Laughter) You live long enough, you realize that some problems just can't be solved. Okay? I don't think...I think you...I think we can all come to that conclusion. But we also can know, we can come to the realization that driving for as much equity...

SENATOR CUDABACK: One minute.

SENATOR FRIEND: ...as we possibly can, sometimes is a satisfactory conclusion, or as good as it's going to get. Until we as a state, I guess, take a decision making process into play that will adopt an attitude that is more open, friendly and aware of some of the things that I brought up, we're going to

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

have this problem lingering for a while. That...another one of my opinions, this is going to be a fly in our ointment for 18 years. I'm dealing with a fly in our ointment in Urban Affairs right now. I'm kind of worried we're going to be dealing with that fly for another 18 years. I don't know if I...I don't know if we can solve the problem. Can we come to some sort of satisfactory conclusion? That's the question, and until we start asking the right question, I don't think we can. Let's take a hard, long look at this for the next however many days we have left.

SENATOR CUDABACK: Time.

SENATOR FRIEND: Time?

SENATOR CUDABACK: Time, Senator.

SENATOR FRIEND: Thank you.

SENATOR CUDABACK: Sorry about that. Thank you, Senator Friend. Senator Smith.

SENATOR SMITH: Thank you, Mr. President and members. My blood pressure has, I think, equalized. And hopefully I won't try to keep up with Senator Raikes and his blood pressure. But anyway, I want to have a good, productive discussion. And what I want to inject into this debate is quality education. Because I think that quality is missing from LB 126, and I think it's so far not been enough of the debate here this morning. There has been some criticism that Class I schools are like private schools, therefore we should get rid of the Class I schools. So what we are attempting to do is find the lowest common denominator, assuming that the issues and factors of a private school are better when it comes to class size and other factors. But when there's the notion that Class I schools are like private schools, therefore we should eliminate them, we are headed in the direction of the lowest common denominator. Now, that wouldn't be the first time in our education policy that we always look for the lowest common denominator. I think that's unfortunate. Because I think in spite of the fact that we've looked for the lowest common denominator in our policies, we

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

have a lot of quality public school institutions across the state. And I'm grateful. There is the issue...again I emphasize, there are as many different reasons for the existence of Class I schools as there are Class I districts. Now, there is a new reason I heard from Senator Stuhr that Class I schools shouldn't exist, and that's because we have paved roads. That is a new reason to me. But nonetheless, I'll try to keep an open mind. When we look at local decisions by a larger school board, by a larger district, I suppose you could still call that a local decision, but it does eliminate several players from the game. What our schools lack most of, regardless of size, I think, is parental involvement. Enlarging school districts, research will show you, decreases parental involvement. We now see urban areas in the East Coast, who are looking at research and determining that a kindergarten through 5th grade environment, or even fewer grades under one roof, is not as effective as a K-8 environment. It's come full-circle. I know that Senator Stuhr hasn't had any Class I districts in her district for some 40 years. But there are a lot of things in society that come full-circle. Education is one of those, where it's oftentimes back to the basics. And I'm grateful that the constituents of my district, at least for another six months or so, have a choice of where to send their children. Choice in larger cities exists if you have money and you can send your kid to a parochial school. But anytime we can provide some options, based on our 1989 option enrollment engagement here in Nebraska, there are some options. I don't think we should take those away, especially when quality education is not part of the discussion. But when you think about a kindergarten through 8th grade environment and how it attracts more parental involvement, which I think is the best tool in increasing quality education, it also increases responsibility and accountability by 7th- and 8th-graders when they are around the kindergarteners.

SENATOR CUDABACK: One minute.

SENATOR SMITH: It's a good situation, and especially, especially, when there's the option to go to another district. You take Lincoln Public Schools, for example, and just the options that exist among the various buildings within the

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

district. Now, that's come with a pretty hefty price tag. But LB 126 doesn't address that; it addresses the smaller ones that are happy doing what they're doing. They have reluctantly lived under the restrictions that the state has placed in the past as a part of a compromise around our education policy. But the Class I schools that have been allowed to exist, they're doing a good job. I asked Senator Raikes...and I hope that he can bring this into it, because he touched on it. He said there's some evidence--and I would argue that it's probably anecdotal--that Class I schools are poor quality and there are not enough opportunities...

SENATOR CUDABACK: Time.

SENATOR SMITH: Thank you, Mr. President.

SENATOR CUDABACK: Thank you, Senator Smith. (Visitors introduced.) Senators are wishing to know where they stand in the line to speak, and I will read those now. Senators Johnson, Fischer, Hudkins, Baker, Erdman, Langemeier, Heidemann, Beutler, Schrock, McDonald, Raikes, Kruse, Byars, and Smith. Senator Johnson, you're recognized. Senator Johnson, you're recognized. Sorry about that, Senator Johnson. We didn't mean to shut you off.

SENATOR JOHNSON: Mr. President and members of the body, I, like many other members this morning, am a product of Class I schools--District 56 for about five years. And as I was sitting here thinking, actually was in on a rather milestone, in that, came here with the Axtell High School class in 1953, to the Supreme Court decision which allowed consolidation of schools. That's now more than 50 years ago. But what we want to talk about this morning is where we've moved to with the Class I schools. I don't think that any of us here want students that are now going 20 miles in the Sandhills to a school to go 40 years (sic). That's not what the discussion is about. What the discussion is about is schools like Senator Schrock courageously addressed, that almost touch the edge of Holdrege, Nebraska, one of the finest school systems in this state. And yet, we don't have the cooperation of these adjacent schools. I think the time has come to help them in their decision. When I first came

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

to the Legislature, I went to a meeting of the Nebraska Diplomats. And someone said something there that has stuck with me these past couple of years: He that can best adjust to change will be the most successful. I think we need to think about that statement here this morning. Quality. I've received the negative e-mails about Kearney schools, the letters that the small schools surrounding Kearney, Minden, that we shouldn't include these in the larger school districts. Well, let me tell you some of the things that have happened in the last two weeks. National teacher of the year to a Kearney elementary teacher, from the Milken Foundation. Nebraska Principal of the Year to Central Elementary. The Nebraska Arts Council School of the Year for Arts. And the World-Herald has an award for scholars at the conclusion of each year. I believe that Kearney is the only school that has had a top award winner every year. Now, these I show not to brag about our schools. But if we're going to talk education and say how wonderful the Class I's are, are we really comparing...and I would ask those people to compare their Class I to what I just listed.

SENATOR CUDABACK: One minute.

SENATOR JOHNSON: Senator Byars, I share with what you're saying, is that I fear what we have created is small, private schools with public funding. Kind of coined a phrase that fits here: Nebraska likes small government--lots of it. It's time to adjust to the change, because change has occurred. Thank you.

SENATOR CUDABACK: Thank you, Senator Johnson. Senator Fischer, followed by Senator Hudkins and others.

SENATOR FISCHER: Mr. President, members of the body, I am not a product of a Class I school. I grew up in Lincoln, Nebraska, and I graduated from Lincoln Southeast. I had the good fortune to meet a rancher and fall in love with that rancher at the University of Nebraska, and for the last 33 years I have, again, been very, very fortunate to live in rural Nebraska, in Cherry County. My husband and I have three sons. The older two were also very fortunate that they were able to attend our Class I school district, near our ranch. It's only 5.5 miles one-way from the ranch. When our oldest started 7th grade, we then

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

moved to town. That's the way things work in rural Nebraska. That's the way they work in a Class VI district. But I will address Class VI's later. I believe I have some expertise in that, in that I have been on a Class VI or Class I school board for over 21 years. My first comments today, I would like to say that last year Governor Johanns, in his State of the State, specifically spoke to LB 698, which was a state aid bill. He said that when LB 698 came to the floor, that you senators need to look at state aid, because that could be the answer to the state's problems. State aid has been in a state of flux for many, many years. The state is currently faced with two separate lawsuits over our state aid formula. Yet this most important issue was not addressed by this body last year. And this year, what is our first bill to be discussed from the Education Committee? It's LB 126. Instead of addressing an issue, state aid, which affects all parts of our state, and that affects all the children in this state, and that affects all the taxpayers in this state, the members of this body are again looking at the affiliated Class I's and the Class VI-Class I K-12 system. As I said, that is the one I am familiar with. I believe this will be a factual debate this year. For many years, I've stood behind the glass and I've been frustrated when I've listened to all the misinformation and, I believe, the incorrect perceptions when we discuss school consolidation in the body. So I'm very pleased that I have the opportunity to discuss this issue on the floor as a member of the body. First of all, I would like to address the new fiscal note. In that new note, it says, data was obtained from the NDE showing Class I districts with less than 2.5 resident students per grade in 2004-2005; General Fund disbursements for the 2003-04; and Class I elementary attendance sites within ten miles of another elementary school within a Class II, III, or VI district. Based on this data, it is possible that school boards may opt to close current Class I elementary attendance sites, expending \$12.7 million in 2003-2004. The closure of these attendance centers will translate into a savings of about the same amount. The data indicates about 56 percent, or 96 of the 171 districts, of the Class I's currently having less than 2.5...

SENATOR CUDABACK: One minute.

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

SENATOR FISCHER: ...resident students per grade, could be closed. The people in this state, last fall, a year and a half ago, attended three hearings on LB 1048. I attended two of those hearings. The citizens of this state, last year and this year, and the members of this body, were told that this is not a consolidation bill. And yet we see from the fiscal note that the only savings--which, I may add, I do not feel are coming from the state level, but at the local level--make it a consolidation issue. I find the changes in that note disturbing, and I believe that this fiscal note plainly states what the intention of this bill is.

SENATOR CUDABACK: Time. Thank you, Senator Fischer. Senator Hudkins, followed by Senator Baker.

SENATOR HUDKINS: Thank you, Mr. President and members. I started, the last time I spoke, talking about the four things that are important to Nebraskans, the first being education. That probably is the most important thing to our citizens, because the leaders of our state, and in fact the nation, are probably somewhere between kindergarten and 12th grade right now. It's important that these kids get the education that they need and that their parent assume that they need, or that they think that they need. And that could be Class I's, it could be K-12's, it could be private schools, it could be parochial schools. But the parents have made that choice for their children. The second thing that is important to Nebraskans is economic development. We've talked about this kind of around the edges, how closing a school is going to affect the community. And it does. There was a consolidation--oh, gosh, it's been 30-plus years ago. Raymond Central used to be Valparaiso, Raymond, Ceresco, and Davey. They did go together for the junior high and high school. But it definitely affected Raymond. It definitely affected Davy. The other two aren't quite so bad off, but they had other industries and other businesses to take up the slack. Efficiency in government. We have seen the figures about how much it costs to educate a student. The state average in Nebraska, if you consider the average daily attendance, it costs \$7,896.52. We'll round that up to \$7,900. Let's just pick out a few schools. I just happen to have Lancaster County here. Remember now, the average per

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

student statewide is \$7,900. Here's a very good school, but it's large. It's called Lincoln Public Schools. Their average is \$8,030, not so much higher. Oak Valley, which is a Class I that is in my district--and of course it is just an elementary school--their costs are \$6,265 a student. I asked one time, all right, you're just telling me the costs of the Class I district compared to the Malcolm cost, which is \$7,500--so they're below the state average--and I said, you're talking about K-12 versus K-8 or K-6 or whatever your particular school is? And I was told, no, turn the page on the report that you were given. Oak Valley's students K-6, compared to Malcolm's K-6, Oak Valley is still doing it for less cost per pupil. We've been told and told and told that this bill does not force schools to close. Perhaps not. But when you have a school that is costing \$7,500 per student, and then you have a school that's costing \$6,200 per student, wouldn't Malcolm be really silly not to absorb or take in all of the students from Oak Valley? Not only do they get the increased valuation, but those additional students are going to make a difference in that particular school's state aid. I have seen figures that say just the Malcolm public school will be getting over \$350,000 in state aid because of those new students. Now, on the reverse side, let's say you have...

SENATOR CUDABACK: One minute.

SENATOR HUDKINS: ...a Class I that is quite expensive, and you're forced to be assimilated into a larger school. Wouldn't it be silly for the larger school not to get rid of that one that's costing so much? Again, they get the increased valuation, they get the increased state aid. So you take all of those additional state aid dollars, and it is going to cost more, at least in that respect. We'll talk about some more later. Thank you, Mr. President.

SENATOR CUDABACK: Thank you, Senator Hudkins. Senator Baker, followed by Senator Erdman.

SENATOR BAKER: Thank you, Senator Cudaback and members. I listen to this discussion and hear a lot of hand...or, see a lot of hand-wringing, and it won't work, it's an emotional issue,

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

and we can't close this and that. Let me tell you where we are in southwest Nebraska. We may have...we may be the leader in the state, I guess, because I represent eight entire counties and part of a ninth one, and we have two, I repeat, two Class I districts left in my...all those counties out there. I did not go to a Class I school district. We had a school a mile east of my house where I grew up that was closed a few years before I started attending kindergarten, and we still call it the schoolhouse corner. But that was in the late 1940s. We have had...not had Class I school districts in Hitchcock County, any Class I's, since the middle sixties. We...it's worked for us. We don't have them out there. I say I have three...two; I actually have three. I have a Class I-Class VI situation there in Imperial, the Chase County grade school, or Imperial grade school. It's a big grade school, and beyond...they're looking to go ahead and merge and form a Class III. But I have two rural Class I's in all those counties. And furthermore, in Hitchcock County, my home county, we haven't had a Class I out there since, I guess, in the early sixties, 1960 area, or middle sixties. It works. We made it work. And I don't think there was all that much pain involved with it. So my point is, if you want to look at an area of the state...and I'm using Hitchcock County example, but I only have two what I call rural Class I districts in my whole legislative district out there. What have we done that we can't get done in the eastern part of the state? I realize there's some Class I's in the rural areas, but when I look at the maps, most of them are down here. They're not out west, and they certainly aren't in my legislative district. When I have two in my whole district, that tells you something about, here's practical experience at work. We've done this, years ago, in my case, my home county. I have had Champion, that's a Class I, in Chase County, and Lamar, west of Imperial, close in the last year or so. And other than that, we haven't had a Class I. The last one would have been Venango, west of Grant, several years ago closed, or merged with Grant High School, Grant district. So it works. That's my point. It works, folks. It may be a little painful and emotionally tough to do for some of you. But we did this years ago out in southwest Nebraska. We're way ahead of the pack, apparently. And it was done without a lot of pain, as I recall. I do remember some of the last Class I's in our area closing in the

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

early sixties, or middle sixties. And it was not hard to do. So I hold up our District 44 in the southwest corner of the state, saying, here's an example. It works. We've done it. And we didn't complain. And I certainly don't know of anyone out in my area that says we ought to go back. The two Class I's I do have remaining out there are right close to McCook. There's one a couple miles south of McCook, and there's one, I don't know, four or five miles north of McCook. And I look at the printout Senator Raikes provided us, and it's typical of these other districts, have 14 students opting out and 3 opting in, a total fall membership of just 13 students. In all honesty, I can't defend that per-pupil cost, \$12,208. And I have talked to the superintendent, and I do know some of the board members out there. I think they're watching with interest what we do here. The other one of my two Class I districts out there is a couple miles south of McCook. And they have pretty much the same story. I'm sorry, but...and I'm sure people are going...who attend that, are going to let me know about this. But it's...to me, most of their...or a good part of their students are opted out of McCook into this Class I District 8 out there. The numbers bear it out again. They do have a lower per-pupil cost. I can't complain about that.

SENATOR CUDABACK: One minute.

SENATOR BAKER: But it's gotten to be a position...situation where students are opting out of these more...and I don't hardly call McCook a metropolitan area, but a larger school district out there. And there were 15 option students went into the district, for a net loss of overall...net option of 3. So I stand in support of Senator Raikes' bill. I think it's a good idea. And we need to go and get the rest of the state up to speed with southwest Nebraska. With that, I would return the rest of my time to the Chair. Thank you.

SENATOR CUDABACK: Thank you, Senator Baker. Senator Erdman, followed by Senator Langemeier and 12 others.

SENATOR ERDMAN: Thank you, Mr. President, members of the Legislature. About an hour and a half ago I pressed my light, and so now it's exciting to be here. And actually, when I had

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

pressed my light, it was in regards to some of the earlier comments on the fiscal note. And I think it is wholly appropriate for us to question the fiscal note. Now, whether or not you want to make the conclusion that it's political or not, that is to each individual member. But I think if you would have a fiscal note that would come to the body one year and said it's a \$2 million savings, and the next year it's \$12 million, if we didn't question that, we wouldn't be doing our job. All of us know of agencies and entities that don't like certain bills, and they've come in in opposition, and that is the information that's used to determine a fiscal note. Our Fiscal Office gathers that information that is given to them, and they make their conclusion from that. They don't go and search for the information that they...that information is brought to them. And the information that they get is just as good as the group that's giving it to them. So if they're in favor or they're opposed, it sometimes can affect the different fiscal note. But for us to say, well, we shouldn't question any of the fiscal note at all I think is irresponsible. Now, whether we go to the level of accusing the Fiscal Office of being political, I'm not going to go there, because they're in a difficult position, at the mercy of the agency or the entity that's giving them the information. So I don't think that is appropriate. But I do think it's appropriate for us to question the actual numbers and the massive change in the actual report this year compared to that same legislation last year. So that was the target of my comments. And now that I have done that somewhat yelling--I'm trying to find the balance between Senator Raikes and Senator Smith--I will yield the rest of my time to Senator Smith.

SENATOR CUDABACK: Senator Smith.

SENATOR SMITH: Thank you, Mr. President. I'm wondering if Senator Baker would yield to a question.

SENATOR CUDABACK: Senator Baker, would you yield?

SENATOR BAKER: Yes, I will.

SENATOR SMITH: Senator Baker, my hat is off to you for having such an exemplary legislative district so as to have wiped out

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

Class I schools a long time ago. Was that done voluntarily or mandatorily?

SENATOR BAKER: I think it was voluntary. I said...like I said, this was before my time even attending school. I...the ones I recall were in the southern part of the Hitchcock County, that merged with the Trenton district in the mid-sixties. And I don't remember much discussion about it, to be honest with you. I was in high school at the time. But I think it was all pretty much voluntary.

SENATOR SMITH: Okay. Thank you. I was wondering if Senator Stuhr would yield to a question.

SENATOR CUDABACK: Senator Stuhr, would you yield?

SENATOR STUHR: Yes, Senator Smith.

SENATOR SMITH: Senator Stuhr. And I'm trying to keep a smile on my face, and I do have one on my face, and for good reasons. You mentioned earlier that paving of roads should be a factor in consideration of whether or not to keep a Class I school open. Is that accurate, in my understanding?

SENATOR STUHR: I believe, Senator Smith, the point I was trying to make, that times change. And in earlier days, most of our roads were dirt or gravel, and today, I would say, probably the majority...although I live on a gravel road, but some...I mean, the road conditions have improved. They're no longer dirt. They probably are graveled or paved. So that was the point I was trying to make.

SENATOR SMITH: Okay. Thank you. And I appreciate that, and I guess I misunderstood your point there, so point well taken. But the fact is, even in Scotts Bluff County there are Class I schools that only have gravel road. I don't draw much distinction between a dirt road and a gravel road. But there are schools out there that have only gravel roads to them. And there is the fact that I...

SENATOR CUDABACK: One minute.

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

SENATOR SMITH: ...I don't think that the surface of a road should be a consideration for whether or not a school should be open. It should be quality, ahead of cost. And as long as they're providing quality at a reasonable amount, let's let it be. Again, let's get back to quality and not anecdotal, isolated situations around the state where there's a bad example. Because for every bad example, I can come up with five to ten good examples of...outside my district, in fact, of good Class I schools and why they should exist. And you know, we're talking about the shifting of enrollment and option enrollment. And actually, students within Lincoln Public Schools can go to a host of differing elementary schools, middle schools, high schools, and they're not even considered to be option enrollment. But they have that choice...

SENATOR CUDABACK: Time.

SENATOR SMITH: ...within the district. Did you say time, Mr. President?

SENATOR CUDABACK: I did, Senator Smith.

SENATOR SMITH: Thank you.

SENATOR CUDABACK: Thank you, Senator Smith and Senator Erdman. Senator Langemeier.

SENATOR LANGEMEIER: Thank you, Mr. President. I would first like to start off by thanking Senator Raikes, first for answering all my questions. As being one of the newest members of this body, we've had to ask a lot of questions, and I want to thank him for that opportunity. Secondly, I'd like to thank him for pointing out Schuyler, which is in my district. It's my home community. It's...if you look on the charts he's given you, it's the largest Class I in our school system. It also happens to have in its Class VI affiliation seven other schools. And if you look at those schools, they're also all less than the average of any Class I that's affiliated with a Class VI. But my district is not just Schuyler. It's bigger. I probably have the most, if not, really close to the most Class I's of any

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 28, 126

district in the state. And I'm not that urban, and I'm not that rural of a district. So that puts me in the middle. Schuyler has been the topic of many discussions, the opting out of students out to our Class I's that have allowed those schools to grow. I think we have to look at Schuyler and other options. We've had the opportunity to try and pass school bonds. Our Schuyler grade school is full. If LB 126 would go through, the high school administration has discussed the opportunity to take more kids out to the Class I schools, not to bring those kids in, which is probably unique to everyone else in this room today, by filling those schools up. So if...in that discussion of LB 126, if the passage is to consolidate schools and to try and remove those kids from opting out, just the reverse is going to happen. We're going to have the school board opt those kids out. And as you look at some of those dollars, I have some that are less, though they're all under the average. But you also look at those dollars. That tells me that those school boards with parental involvement is crucial. We have talked so much today about more administrators. We even had it said that this would allow for higher teacher pay and entice teachers to rural schools. If these rural schools couldn't get teachers now, they wouldn't be there. I guess I would like to focus the discussion back to the quality of education, the parent involvement. It's also been stated today that allowing Class I schools to continue is providing public tax dollars to fund Class I private education. Well, earlier this week, just a few days ago, this body passed a bill on to Select File, LB 28, that exactly does provide tax dollars, or potential tax dollars, through tax credits, to provide funding for private schools. So in...earlier in the discussion, we say we don't want to do that, but yet just yesterday--I believe it was the day before yesterday, take that back--we provide a tool to allow tax dollars, instead of coming in to the state, to be yet directed to private foundations that privatize schools. And with that, I would yield my time to Senator Smith, if he would like it.

SENATOR CUDABACK: Senator Smith, about a minute and a half.

SENATOR SMITH: Thank you, Senator Langemeier. I appreciate the discussion that you've brought to the mix. When we look at making everything one size, be that K-12, whatever the case may

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

be, the factors considered in LB 126, I can't help but think that...and especially when senators have stood up to say that, you know, we closed them a long time ago...and that's fine. That was a voluntary decision. I just want the constituents that I represent to have that same voluntary decision. I don't think that's a lot to ask. Senator Raikes, is that a lot to ask, for my constituents to have the voluntary decision of whether or not they lose their school board?

SENATOR CUDABACK: One minute. Is that a question, Senator Smith?

SENATOR SMITH: Yes.

SENATOR CUDABACK: Senator...

SENATOR RAIKES: They absolutely would, Senator. This is just simply turning it over to the locally elected K-12 school board. We're not allowing one group of constituents and taxpayers to have a veto power over the rest. If this would be a locally supported decision...in effect, what you're saying, somehow, is that local residents are scared of the local school board. I don't understand that.

SENATOR SMITH: Okay, Senator Raikes. And I appreciate that. Maybe it's the thousands of people across Nebraska who just don't understand LB 126. Maybe that's the case. But statistics will show you that the only way you can save dollars as it relates to education is if you close buildings or lay off personnel. Is that accurate?

SENATOR CUDABACK: I'm sorry. Time is up, Senator. Thank you, Senator Langemeier and Senator Smith. Senator Heidemann, followed by Senator Beutler, Schrock, McDonald, Raikes, and others.

SENATOR HEIDEMANN: Thank you, Mister...Senator Cudaback. This isn't the easiest thing for me. I was...as a freshman Senator, I was just going to sit back and learn the process this year. But LB 126 came up, and it prods me to become part of this discussion. Unlike some people, this isn't an emotional issue,

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

it is a little bit for me. My wife teaches at a Class I school. I know all the kids in this school. I go down at noon hour and I play with them. They've become part of my family. I think we need to realize, across the part of this state, what Class I schools are, what they represent, and what they do for people. I really believe that LB 126 is going to affect this state in far-reaching things that people don't even realize. And as I look into it, as I hear and as I read, I learn more and more what this will do. I got some questions. One of the things, what is this really going to save the state? And how many dollars? And I would like to, if I could, ask Mr. Raikes that question, Senator Raikes.

SENATOR CUDABACK: Senator Raikes, would you yield to a question from Senator Heidemann?

SENATOR RAIKES: Yes, I would.

SENATOR HEIDEMANN: In state tax dollars, I would like to know how much it's going to save the state in state...in General Fund tax dollars.

SENATOR RAIKES: As I've said, Senator, the fiscal note shows \$12.7 million, I think. But that's conservative, in my...now, that's my own twist on it. That's not the Fiscal Office. That would actually mostly be, at least up front, local property taxes, because that's where the savings, or, I ought to admit to you, redirection of funds from parallel elementary schools to K-12 schools. I'm not going to tell you that every dollar would be returned back to taxpayers. I certainly hope that some of it would, maybe most of it. But \$12.7 million, I think, is...well, is the Fiscal Office's estimate. I'm going to say that if you consider the total budget expenditure of \$75 million a year, it certainly seems to me that more than that is within the realm of possibility. I hope that answers your question.

SENATOR HEIDEMANN: Not totally. I mean, I want...I would like to know what you just thought, how much state funds out of the General Fund this is going to save.

SENATOR RAIKES: The state savings in this sort of arrangement,

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

if there are local savings, then that translates to a reduction in state aid two years down the road. So most of the state savings would come as we move down the road two years and beyond.

SENATOR HEIDEMANN: I don't quite understand, when these schools right now are struggling for money, their budget...our levy lid is at \$1.05, and are you telling me that we're going to save enough money that our levy lid is going to go below \$1.05?

SENATOR RAIKES: The amount that's levied could in fact go below \$1.05. In fact, \$12.7 million I think amounts to about 1 cent of levy authority applied to the state base. So yes, that's possible. It's certainly not probable, but it's possible.

SENATOR HEIDEMANN: And that's a very good point. Because it's possible, but I will almost probably with certainty say that it will not happen. Our levy lids will not go down. I mean, where they are at, at the local level, if you close these Class I schools, they will not go down.

SENATOR CUDABACK: One minute.

SENATOR HEIDEMANN: Do you agree with that?

SENATOR RAIKES: Not in every case I wouldn't, Senator. There may be some...again, this is a local decision. Your locally elected K-12 school board would make that decision. They have got to face the taxpayers in order to get elected and serve on that board. So they would be the ones that make that decision.

SENATOR HEIDEMANN: Who are on these K-12 boards that are making these decisions?

SENATOR RAIKES: Locally elected citizens, taxpayers, parents.

SENATOR HEIDEMANN: Any people from the Class I district, will they be on these boards at this time?

SENATOR RAIKES: They would have...yes, they would become part of the K-12 district, so they would have an opportunity to serve

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

on the K-12 board.

SENATOR HEIDEMANN: In how many years, Senator Raikes?

SENATOR RAIKES: It would depend on, probably, the election cycle, when there are seats that come up. And I think most boards are at-large boards. So whenever the next election cycle was, they could run for the board and serve on that board.

SENATOR CUDABACK: Time.

SENATOR HEIDEMANN: Thank you.

SENATOR CUDABACK: Thank you, Senator Heidemann. Senator Beutler, followed by Senator Schrock.

SENATOR BEUTLER: Senator Cudaback, members of the Legislature, I just wanted to go back to something I was talking about the first time around, and that's just the fact that what I was trying to get to is that even though it may be perceived this way by newcomers to the Legislature, this is another step in the direction that 12 different Legislatures over the last 25 years have gone down, incremental step by incremental step. And this bill, even though the name "Class I" will disappear, still retains a specially treated entity called an elementary attendance center. And it is still protected in a way that no other elementary school is protected in a school district. This bill is not--and I know those who feel deeply about it cannot accept this representation--but in fact it's another incremental bill; it is not radical in terms of the progress of the Legislature and the attitude of 12 different distinct groups of legislators and how they've felt about this issue over time. But I wanted to confirm with Senator Raikes...again, Senator Raikes, if we could have an exchange, I want to talk about the protection of the elementary attendance center.

SENATOR CUDABACK: Senator Raikes, would you yield, Senator Raikes?

SENATOR RAIKES: Yes, I would.

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

SENATOR BEUTLER: As I'm reading the bill, on June 15, 2006...and that's the day, is it not, when they become a part of a Class II or III school district, generally, right?

SENATOR RAIKES: That's right, Senator. That's the completion of the process, if you will.

SENATOR BEUTLER: Okay. So as of that date, it's a...it's one unit school district. And by protecting the elementary attendance center within that school district, we're actually interfering with local control of schools, which we don't normally do in the internal affairs of a district, right? Like, in Lincoln, the school board can say which elementary school is open and closed, which high school you can go to or not go to, that sort of thing.

SENATOR RAIKES: Right. This would be a change, and I think you've characterized it correctly. This is an interference with the authority of a local school board. But it was done in the interests of transition, and I think as you pointed out earlier, done in the interest of preserving communities or patterns of behavior in a local community, or however you might like to describe it.

SENATOR BEUTLER: Okay. Let me ask you about one example which illustrates, to me, the protective measure that you've blended into this. With respect to this particular issue, first of all, if you have a certain number of students, resident students, and if you have six grades, as I figure it, it turns out to be 15 students, and if you have eight grades, it turns out to be 20 students. Is that...

SENATOR RAIKES: That's correct.

SENATOR BEUTLER: ...more or less accurate?

SENATOR RAIKES: That's correct.

SENATOR BEUTLER: Okay. If you have that many students and you're located within the boundaries of an incorporated city or village, there is absolutely nothing anybody can do to close

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

you. Is that accurate?

SENATOR RAIKES: That's correct. Now, we always use the previous fall's enrollment numbers to calculate that. So if, for example...and it's resident students, as well. So if something...if for some reason a plant closed or whatever, and people all moved out, then it would fall out of that protection.

SENATOR BEUTLER: Right.

SENATOR RAIKES: But at least for the time period...

SENATOR CUDABACK: One minute.

SENATOR BEUTLER: As long as they can maintain that number of students,...

SENATOR RAIKES: Yes.

SENATOR BEUTLER: ...you can never close it.

SENATOR RAIKES: That's right.

SENATOR BEUTLER: All right. And let's say it got down to...let's say it qualifies, it has 15 students, and for whatever reason, the parents of 12 of those students wanted it shut down. Could they do it?

SENATOR RAIKES: Well, actually, they could do it. And by the way, there's been some comments about, somehow this is going to destroy option, which it has no effect on at all. If in fact they sent their students to a different school...

SENATOR BEUTLER: Well, there...yeah, I mean, there are other mechanisms that we have in current law. But in terms of this bill, does it allow...would that factor, in and of itself, allow it to be...

SENATOR RAIKES: Technically and strictly speaking, you're right, it would not.

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

SENATOR BEUTLER: Okay. And then in a separate section, even smaller numbers, even smaller schools are given some additional protection.

SENATOR CUDABACK: Time. Thank you, Senator Beutler. Senator Schrock, followed by Senator McDonald.

SENATOR SCHROCK: Mr. President, members of the Legislature, Senator Fischer would like a little time, but I'm going to speak briefly first. Senator Fischer, the proper time for school aid debate is probably during the budget time in April. And it is a very high priority for the Education Committee. I want to talk about a few other issues. Senator Langemeier, I hesitate to say this, but your situation there in Schuyler is not good. It's a total abuse of the English for second language and the poverty. It's a total abuse. It needs to be fixed locally, or the state needs to fix it, or the courts will fix it for us. I really think that's the case. And if you look at what's happened in other states when they go to court, they would not tolerate a situation like is going on in Schuyler. So if we don't pass this bill, we still have that issue. And there's been discussion about choice students. The people who have students with disabilities and the people who are single parents and are low-income, don't typically choice their students out to Class I's. I'll guarantee you that's not the case in our area. So you get the high quality students to start with in the Class I districts. I'm just ready for us to all get in the same boat and row the same direction in our area of the state, and we're not doing that now. Senator Fischer, I will give you one minute, and the rest of my time I will give to Senator Raikes.

SENATOR CUDABACK: Senator Fischer.

SENATOR FISCHER: Thank you, Senator Schrock. Mr. President, members of the body, I have a question on the amendment, if Senator Raikes would answer that for me, please.

SENATOR CUDABACK: Senator Raikes, would you respond?

SENATOR RAIKES: I'll try.

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

SENATOR FISCHER: Okay. The second bullet that's on the sheet for the AM0354.

SENATOR RAIKES: Yes.

SENATOR FISCHER: What does that mean? And I...this is a serious question. I do not understand what that bullet means, if you could explain that, please.

SENATOR RAIKES: We are...there's provision in the bill, Senator, to divide...or to handle the issue of dividing up property among...Class I property among either Class VI or Class III districts, according to the percentage of students going to that district. So this covers a situation which is not in the bill right now, where there is a zero...there's a district that is affiliated, but it has zero students. It might occur either because there were no students that went from that Class I to the K-12 in the past three years, or they went...there are students that came out of that Class I, but they went to a nonaffiliated district. This simply says, if you have that sort of situation, then the property would be attached according to its current affiliation. So however it's affiliated now, that would be the way it would be carried on.

SENATOR CUDABACK: It's now your time, Senator Raikes.

SENATOR RAIKES: If you would like to continue the question, Senator, I'll see what I can...

SENATOR FISCHER: Is that all right with the Chair?

SENATOR CUDABACK: You may. You may.

SENATOR FISCHER: Thank you. Does this just deal with the affiliated Class I's that would have no children in that district?

SENATOR RAIKES: I'm sorry, Senator. You'll have to repeat that.

SENATOR FISCHER: Would this part of the amendment just deal

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

with affiliated Class I's?

SENATOR RAIKES: No, I think it deals also with the...if you're asking about the Class I-Class VI situation?

SENATOR FISCHER: Yes, I am.

SENATOR RAIKES: Yes, it would deal with that one as well.

SENATOR FISCHER: Okay. So if the...

SENATOR RAIKES: So, for example, if Valentine Rural High School had some Class I's that had no students, a 0 percent of students going to Valentine or to another high school within the time period involved, which I believe is three years, then those districts would remain as they are now affiliated, which would be with Valentine Rural High School.

SENATOR CUDABACK: One minute.

SENATOR FISCHER: I guess I don't call our Class I's affiliated within a Class VI system. But we'll discuss that later. If...in a Class VI system, if you have students within a part of that system, that K-12 system, but they possibly are attending another high school, if this reorganization takes place, will the Class...will the integrity of the land mass of a Class VI district be compromised? And will the land go, such as with the affiliated ones, to the high school where the students attend, and that will be determined by the Department of Ed? Or does the integrity of the Class VI district remain whole?

SENATOR RAIKES: This moves it in the latter direction. And you're right, I should have said Class I's that are part of a Class VI, rather than affiliated with. But this would keep it in the direction of the current...

SENATOR CUDABACK: I'm sorry, time is up.

SENATOR RAIKES: ...connection, part, however, what we're doing.

SENATOR CUDABACK: Thank you, Senator Schrock, Senator Raikes,

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

Senator Fischer. Senator McDonald, followed by Senator Raikes.

SENATOR McDONALD: Mr. President and members of the body, and to continue the discussion of the affiliation, I'd like to ask Senator Raikes a couple of questions.

SENATOR CUDABACK: Senator Raikes, would you yield to a question from Senator McDonald? Senator Raikes, would you yield to a question from Senator...?

SENATOR RAIKES: I would. I'm sorry. I would, yes.

SENATOR McDONALD: Well, I have a situation. I have St. Libory, that is a Class I, and a rather large Class I, that is affiliated with Northwest High School, a Class VI. Now,...

SENATOR RAIKES: I think we're saying now that's part of, rather than affiliated.

SENATOR McDONALD: Okay.

SENATOR RAIKES: I believe I was corrected on that terminology.

SENATOR McDONALD: If it's a part of. Okay. And clarify the difference between "part of" and "affiliated."

SENATOR RAIKES: "Part of" refers to the association of a Class I district as...with a Class VI system, whereas "affiliated" is a Class I that is not part of a Class VI system, and thereby has...the connection between them and a K-12 is called affiliation.

SENATOR McDONALD: Okay. So I have two scenarios here I want to ask you questions on.

SENATOR RAIKES: All right.

SENATOR McDONALD: If the students in that Class I in St. Libory, that's now a part of the Northwest High School, if the majority of those students choose to go to St. Paul, which is probably a little closer for them, tell me how that property

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

is to be divided up. Or would it be divided up? Or would it all go to Northwest?

SENATOR RAIKES: The...hopefully, those procedures are outlined in this distribution. And you'll notice there's a distinction of...based on whether or not there are 50 percent or more of the students in a Class I that are going to the primary high school district. And I think you're saying, in this case, the primary high school district would be...

SENATOR McDONALD: The primary high school that they're part of?

SENATOR RAIKES: Would that be Northwest?

SENATOR McDONALD: Northwest.

SENATOR RAIKES: Okay.

SENATOR McDONALD: Right now, they're part of Northwest.

SENATOR RAIKES: So if most of the students, more than 50 percent, are going to Northwest, then the territory would be attached to the high school districts...to the Northwest K-12.

SENATOR McDONALD: Okay. So what if 50 percent decide to go to St. Paul? What happens now?

SENATOR RAIKES: Well, it...yeah, I guess the first question you need to know is, is St. Paul currently an affiliated district? Is...you said St. Libory? Are they affiliated now with St. Paul?

SENATOR McDONALD: No, they're affiliated with Northwest.

SENATOR RAIKES: Okay. Then I think it all goes to Northwest. I mean, I'll have to pursue this to make sure, but I think that's the agreement. If there's an affiliation and you've got a predominance of the student going one way or the other, then the property follows the students, as long as there's an affiliation. And again, the justification for that is, if you've got the students going there, then you need the resource

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

base going with them to provide the support.

SENATOR McDONALD: So you're not sure how this happens? I mean, I'm not getting a clear answer from you.

SENATOR RAIKES: No, I am sure. Yeah, I am sure.

SENATOR McDONALD: Would you repeat that again?

SENATOR RAIKES: I probably cannot recite to you with absolute certainty how that would happen. But I will tell you that it is in the bill, and if you'll give me an opportunity to examine it, I will tell you exactly how it would happen. It is specified.

SENATOR McDONALD: Okay. And another situation, I have Hazard, which has, say, eight children. They are affiliated with Litchfield. Hazard closes, forced consolidation by LB 126, and the majority of those students end up going to Loup City rather than to the affiliated school. What happens to the property? And if it's divided up equally, 25-25-25-25,...

SENATOR CUDABACK: One minute.

SENATOR McDONALD: ...where does this property go? Is it divided up that way? Does it...is it all or none?

SENATOR RAIKES: Okay. The dividing...or the central issue would be, which one of those districts is the primary affiliate?

SENATOR McDONALD: And that would be Litchfield.

SENATOR RAIKES: Okay. And if at least 50 percent of the students go to that affiliated district...and you're saying in your hypothetical example they don't?

SENATOR McDONALD: Yes.

SENATOR RAIKES: Okay. Then the distribution is actually described in there...in the...what, the...one, two,...the third bullet point, the one that starts, if there's not an agreement and less than 50 percent of the students of the Class I have

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

been going to the primary high school district, it gives you the...there's a 20 percent number that you see in there. As long as there are 20 percent or more--and you said 25 percent--then the districts...let me read it to you...that have been receiving at least 20 percent, territory affiliated with the remaining high school district would be...

SENATOR CUDABACK: Senator Raikes, we're now on your time.

SENATOR RAIKES: Okay.

SENATOR CUDABACK: We're now on your time. Thank you.

SENATOR RAIKES: That's fine. Mr. President, members of the Legislature. Let me begin that way.

SENATOR CUDABACK: Thank you.

SENATOR RAIKES: So to go through with that, you've got...as long as there are more than 20 percent--and I think you said 25 percent in your hypothetical--then the distribution of the territory is outlined in the second-to-last bullet point there.

SENATOR McDONALD: And that says that it goes to, not the affiliated district, to the district where more than 20 percent goes.

SENATOR RAIKES: Right.

SENATOR McDONALD: Okay. So in that situation, Litchfield would lose the property valuation of that district, because more than the 20 percent is going somewhere else. And that's a concern of some of my larger schools, some of my Class II's and III's, because at this point they're using that valuation as part of their base. Now they're going to lose it. So I have not only the Class I's that are concerned about this, I have some of the other systems that are concerned about losing valuation, because the students might not go to the affiliated district. And I know I'm on your time, and I apologize. (Laugh)

SENATOR RAIKES: Thank you. Thank you. If I have some left

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

over, Senator, I'll yield it back to you. How's that? Let me respond quickly, if I can, to a couple of points that have been made. First, Senator Smith--and I think he's over there--he made comments about getting rid of Class I schools. Keep in mind, we're just talking about the school boards; we're not talking about the attendance center. I understand the concern of Senator Smith. I think he has long stood for fiscal conservatism, he has long stood for taxation only with representation. And now he is forced, with his opposition to LB 126, to stand for the opposite, to stand for a more expensive system, and to stand for a system in which you've got a subgroup of taxpayers that are allowed to have a veto power over the broader group. I think I inspired his light to go back on. And also, I would say he has felt the need to bring in a somewhat irrelevant issue, I believe, that of what Lincoln Public Schools and Papillion did on high school buildings. And one spent more and one spent less, and the voters in the respective districts made that decision. I think, at least in the case of high school, the buildings are all full. It doesn't look like an unwise decision to me. One of them decided to spend more for the building; the other one decided to spend less. I notice Senator Smith has a much nicer car than I do. It probably is a good decision; he will spend less money fixing it up than I will mine. I think that's fine. Senator Hudkins talked about...first off, Senator, I apologize for anything my family had to do with forcing you into detasseling. That is the worst job for the lowest pay in the United States, as far as I'm concerned. You mentioned Class I graduation rates. I would like to know how you define that. You've got people leaving Class I's all the way from 1st grade, as I did, on through 8th grade. I'm not sure how you even define one. The other thing, she mentioned the situation with the Class I school district here north of town. The fact is, that's fully affiliated with a K-12 that I believe Senator Hudkins, at one point in her career, served on the school board. If that Class I would be closed, first point, there is absolutely no more state aid that flows to that system. The state aid is already going there. That system gets not another dollar in property tax authority because they have to keep that Class I open. Now, if the board got together and decided, look, we're spending \$150,000 for six kids, six resident kids, which we need

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

to be responsible for, in a Class I building, and we simply...it would be great if we had all kinds of money, but we don't. We can incorporate those six...

SENATOR CUDABACK: One minute.

SENATOR RAIKES: ...kids in our K-12. We've been, probably, experiencing declining enrollments. We've got the space there. We won't have to build a new building. We won't have to hire a new teacher. We may not have to even buy any books. We can basically save the whole budget. Why wouldn't you do that? Why wouldn't you at least consider it? Now maybe they would decide against it. But that's a decision of the local K-12 board. You as the Legislature are not forcing that one way or another. You are simply saying the K-12 board has that authority; let them make the best local decision. Thank you.

SENATOR CUDABACK: Thank you, Senator Raikes. Senator Kruse, on the Raikes amendment to LB 126.

SENATOR KRUSE: Thank you, Mr. President and members. I stand in reluctant, very reluctant support of this bill, but very firmly so. If you can understand that, why, you might understand me. I see this, the dollars part of it, as a nonissue. I would expect the state budget to go down a bit in the future. And so it would be, but it wouldn't be by a great amount. The amount of dollars saved locally would go back to the farmland, probably, they came from. So that's a nonissue. My reluctance is because of the cultural value within our society of the one-room schools. This is a warm, strong part of our tradition, and of my tradition. My firmness is because it's time to move on. Nearly 100 years ago, when I went to a one-room school, I received a good education. That's been said before, but I want to affirm it. I do want to affirm another part of it--it was not as good an education as the town kids got. I had a...something over them, in that my education taught me how to learn and be scrappy about curiosity. Their education had a lot more content. But I was to the top of the class by the time I got through high school, because I was taught to be scrappy. So I have no apologies for that. There's something very good in that, that troubles me about the present Class I's,

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

and that is, my teacher had a superintendent. Some of the teachers weren't really up to it, but the superintendent came and helped that teacher get into the curriculum. If that teacher couldn't sing a note, the superintendent sent around somebody to teach music. So we had a music teacher every week. It was a good education. The bad part about it was, that when I went to town, where I had to go for high school, for 9th grade, I was going to a foreign country. I was under a school board that I did not know. I didn't know a single person there. My parents could not vote for anybody on that board. We were in a foreign country, and I felt that, and I felt it all the way through high school. Attendance centers that are valid, it seems to me, would be continued, should be continued. I see no point at all in our saying who should close and who should not. But I would hope that that discussion be...could be continued without fuss across barriers. And that's what we had. We had barriers all over the place. We couldn't talk to these persons, and they couldn't talk to us in an even way. I think it's time for us to have this good, strong debate. I appreciate it. And I yield the rest of my time to Senator Smith.

SENATOR CUDABACK: Senator Smith, about 1, 55.

SENATOR SMITH: Thank you, Senator Kruse. If Senator Raikes would yield to a question?

SENATOR CUDABACK: Senator Raikes, would you yield?

SENATOR RAIKES: Yes.

SENATOR SMITH: I know that there's speculation...would you say it's speculation on the fiscal note?

SENATOR RAIKES: No.

SENATOR SMITH: No, it's not speculative? Even though it's changed drastically?

SENATOR RAIKES: The...what I would say about the...

SENATOR SMITH: I mean, it's based on speculation of who's going

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

to close a building, is it not?

SENATOR RAIKES: If you wish to characterize it that way, you certainly may. What I would say is that they have stated their assumptions very clearly in that...

SENATOR SMITH: Okay. And that's fair.

SENATOR RAIKES: ...fiscal note, and followed through with the corresponding numbers.

SENATOR SMITH: Okay. Now, would you agree that the only way to save money in education is to lay off staff or close a building?

SENATOR RAIKES: You can also save the costs of doing budgeting, or to...or have separate administrative units.

SENATOR CUDABACK: One minute.

SENATOR SMITH: Okay. And that's personnel resources, is that not?

SENATOR RAIKES: Yeah. So you...included in staff...

SENATOR SMITH: Eliminating personnel resources...

SENATOR RAIKES: Sure.

SENATOR SMITH: ...or closing a building are really the only effective ways of getting a grasp on cost. Is that fair?

SENATOR RAIKES: Fine with me. Yeah.

SENATOR SMITH: Okay. And that's why I would suggest that, yes, there would be a larger school board making the decision. I mean, Scottsbluff is fighting a battle on whether or not to keep a building open within their own existing school district, and it's a tough battle, without any state mandates as to the size and location. And now we're looking at, in LB 126,...

SENATOR RAIKES: Actually, it would affect them.

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

SENATOR SMITH: ...a state mandate on what should be saved, in Senator Schrock's district, basically. (Laugh) We won't go there. That we have a state mandate that if you meet these...

SENATOR CUDABACK: Time.

SENATOR SMITH: ...these requirements, you have to keep it open. Thank you.

SENATOR CUDABACK: Thank you, Senator Kruse and Senator Smith. On with discussion of AM0354. Senator Byars.

SENATOR BYARS: Thank you, Mr. President. I will yield a minute or so of my time to Senator Schrock, and then the balance to Senator Raikes.

SENATOR CUDABACK: Senator Schrock, you have one minute.

SENATOR SCHROCK: Mr. President, members of the Legislature, there's been this discussion about whether money is going to be saved. It may not save a lot of state aid in my area, because there's still the number of pupils to educate. But the inefficiencies I see in the Class I's around Holdrege, with just a duplicate administration, I think is going to save the property tax payers some money. Holdrege is a large enough school district, they can run very efficiently, unlike a lot of small districts. About 1,200 students in the affiliated system. Interestingly enough, there used to be about 1,400 students, about ten years ago. So if you closed all the Class I's down, the town school could still handle all the students. But I do think there's going to be money saved. I'm not going to quibble whether the numbers are wrong or right. But I can tell you, there's going to be a lot of administrative money saved in my area of the state. I'll give my time to Senator Raikes.

SENATOR CUDABACK: Senator Raikes.

SENATOR RAIKES: Thank you, Senator Byars and Senator Schrock. A couple of the points I just want to reemphasize. This bill is one about granting authority to local school boards, K-12 school

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

boards, which we count on, and have counted on for a number of years, to make a number of important education decisions on our behalf. This simply says that you have the authority as a board to make decisions about which buildings you need to have open and which you don't have open. And keep in mind now, we've hamstrung some of those districts. I can think of the one that's near the farm I operate. It's a Class I district that is affiliated with a K-12. The building happens to be three miles from the...three or three and a half miles, I would say, from the elementary attendance center. The K-12 district surrounds the Class I, and they provide transportation. So in fact, the buses go through the Class I district to the other side of it to pick up kids to go to the K-12. This would say that that K-12 board, which represents all the...would represent all the taxpayers in that entire district, would have the authority to make a decision about whether or not it was educationally or fiscally prudent to keep that building open. This is really all that we're talking about. We're not saying they have to close it. In a few instances now, as has been pointed out, we are saying that they would have to keep them open. But I really...I'm not sure that I...I think I don't hear criticism about that from the opponents, in that, well, gosh, you ought to give the K-12 board even more authority and say that they can make the decision without restriction. I don't think I hear that. I think, rather, I hear fear that even though this is a locally elected representative school board, they're going to do something counter to the best interests of the local taxpayers, parents and students, that they serve. I simply choose not to believe that. In fact, I think there's very strong evidence that that's not to be believed. They have served honorably. They do a great job. They're under fiscal constraints, as they, frankly, have to be. There's just not enough money for everybody to do everything they want. So again, I would urge you to keep in mind what we're really talking about here. We're talking about granting authority to a locally elected K-12 school board to act in the best interests...

SENATOR CUDABACK: One minute.

SENATOR RAIKES: ...of the parents and students involved. Thank you.

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

SENATOR CUDABACK: Thank you, Senator Raikes. Senator Smith. And this is your third time, Senator.

SENATOR SMITH: Thank you, Mr. President and members. I rise in opposition to LB 126. And I want to know more about the quality issue. And if Senator Raikes would yield to a question?

SENATOR CUDABACK: I'm sorry, what did...I misunderstood you.

SENATOR SMITH: If Senator Raikes would yield to a question?

SENATOR CUDABACK: Senator Raikes, would you yield?

SENATOR RAIKES: Yes.

SENATOR SMITH: Senator Raikes, should documented quality be trumped by district size or enrollment?

SENATOR RAIKES: Documented quality.

SENATOR SMITH: If I could prove to you that quality across Class I's was higher than that of their affiliated districts,...

SENATOR RAIKES: No,...

SENATOR SMITH: ...should we proceed?

SENATOR RAIKES: ...what I would say is that if you can make that point to your local K-12 school board, then I think you should be allowed to and would be allowed to.

SENATOR SMITH: Okay. If I live in a Class I school district and I want to make that case to my local school board, they would no longer have any say, under LB 126.

SENATOR RAIKES: But you...

SENATOR SMITH: Those who know the situation best.

SENATOR RAIKES: But your K-12 board would. And the K-12 board

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

is the board that's responsible for all the taxpayers that contribute money to that...locally, to that educational effort.

SENATOR SMITH: Already.

SENATOR RAIKES: Right.

SENATOR SMITH: Okay. Was that a condition requested by Class I schools? Their loss of representation, as it's called today?

SENATOR RAIKES: You would...

SENATOR SMITH: Did they choose for that scenario?

SENATOR RAIKES: ...you would have to...yeah, I can't give you the exact history of what happened, if that's what you're asking. Maybe I don't understand the question you're raising.

SENATOR SMITH: Well, that was...it's my understanding that that was a bitter pill that was swallowed long ago, so that the fiscal part of the issue and property tax part of the issue was perhaps equalized. Maybe there's a better term for that. But a while back, that was a bitter pill swallowed by Class I's, but still receiving ultimate authority on curriculum, personnel, the common, everyday things that they face within their district.

SENATOR RAIKES: Okay. You're talking about so-called...what I'll call the elimination of tax havens? Is that...

SENATOR SMITH: Right. Right.

SENATOR RAIKES: ...the event? Yeah. And I...

SENATOR SMITH: So tax havens were...

SENATOR RAIKES: ...you know, I understand that. If I have a tax haven and somebody eliminates it, I probably am going to be upset about that.

SENATOR SMITH: Okay. And now we have a condition of two and a half students times the number of grades, whatever. How did we

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

arrive at the two and a half?

SENATOR RAIKES: It was a matter of negotiation, looking at numbers in school systems, that sort of thing. Yeah.

SENATOR SMITH: It wasn't research-based on education quality?

SENATOR RAIKES: No. No. In fact, I've heard a lot of stories about small schools. No one has ever defined a small school in terms of research. I try to say, does that mean 50, or 100, or 1,000, or 5,000? Nobody seems to know. And nobody has come up with research that supports having a school board for every so many kids either, as being a critical component of education.

SENATOR SMITH: Maybe we should defer to the local level. Is that a good idea? Deferring to the local level?

SENATOR RAIKES: I'm sorry, I didn't...to do what to the local level?

SENATOR SMITH: To allow that decision to be made locally.

SENATOR RAIKES: Which is what this would do. It's the K-12 board.

SENATOR SMITH: Less locally than the current status, though. Is that accurate?

SENATOR RAIKES: Pardon?

SENATOR SMITH: Less locally.

SENATOR RAIKES: Yes,...

SENATOR SMITH: I mean, it's a larger district.

SENATOR RAIKES: ...in the sense that you're no longer going to have a group of...a subgroup of voters that has veto power, a subgroup of voters that pay the same tax rates,...

SENATOR CUDABACK: One minute.

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

SENATOR RAIKES: ...and pay toward the same educational unit, that has a veto power over how those funds are spent. You won't have that, you wouldn't have that, with LB 126.

SENATOR SMITH: Okay. But there is the ultimate fiscal authority given to the larger district already?

SENATOR RAIKES: Right now, it's not ultimate. As Senator Hudkins pointed out in her example, Malcolm simply has no real authority over the budget of the Class I that is fully affiliated with that district. They are required, by a decision of that local Class I board, to keep that parallel elementary system open.

SENATOR SMITH: Okay. I wish I had more time. If the...say, the personnel...

SENATOR CUDABACK: Your time is up, Senator Smith.

SENATOR SMITH: Thank you.

SENATOR CUDABACK: Thank you. Senator Louden, on the Raikes amendment.

SENATOR LOUDEN: Thank you, Mr. President and members of the body. As I've listened to some of the discussion, I think Senator Baker said he didn't remember, but in the sixties, schools were changed over and consolidated. And if my memory serves me correctly, back in those days, the only way you could consolidate any districts was to join a K-12 district. It wasn't until in the eighties there that you were able to form some Class VI districts again. And that's when most of them were formed, as I stated earlier in my remarks, out there in the western end of the state, that a lot of Class VI's were formed in the eighties at that time. And that's when the bill went in that we had to do with our free high school, do away with our free high school tuition, and we had to affiliate with some of the districts. Now, the valuation, I've heard the discussion that some of these high school districts, or K-12 districts, have these Class I's next to them, and their valuation, and that

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

sort of thing. Those K-12 districts receive mill levies from the valuation of that Class I district, right along with the Class I's. So that's all part of the general mill levy of the K-12 district, when you're affiliated with a Class I. The same is in a Class VI districts, all Class I's. It's all one levy, and it's all levied in together. So there is no savings in the amount of mill levy. As I was kind of looking at this fiscal note here, I'm trying to understand if there isn't some smoke and the mirrors here about that. And it was telling how, according to their data, my understanding is that where they come up with this \$12.7 million is that if the number of school...Class I school districts that have less than two and a half pupils and are closer than ten miles are all closed, that's about what they're spending, and that's what they figure they would save, is what those were spending. That isn't counting if the kids still have to be educated someplace else, or whether they just move. Because if there's a certain amount of money spent on those students, it's going to be spent no matter where they go. I would like to think that whoever figured this out...I would like to see them...have them work on our budget for the state of Nebraska. Because there's supposed to be 8,000 students in the Class I districts, there about, and they're going to figure out a way to save 12 million bucks on those 8,000 students by doing something else with them. So that's about \$1,500 a student. All it looks like, to me, we'd need more kids so we can save more \$1,500 a student. Somewhere in here, I think this fiscal note is questionable on how much money is saved. Nobody has said yet if there is any money being saved. And wherever you go, as far as your state aid to education for your students, whether they opt in or opt out, there's still a certain amount of that that follows them all the way. So I think we have to have some consideration on whether this is going to do anybody any good, whether it's going to save any money. And most of the dialogue that I've heard so far, people that are for it, they either don't have any schools in their district, any Class I's, or else they have one that's bothering them, where they're driving clear through it. And to me, that's a local issue, and that could be resolved on a local area. With that, I would return any time I have to Senator Smith, if he so desires it.

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

SENATOR CUDABACK: Senator Smith, you have about a minute and a half.

SENATOR SMITH: Thank you, Mr. President. Senator Raikes, would you yield to a question?

SENATOR CUDABACK: Senator Raikes, would you yield?

SENATOR RAIKES: Yes.

SENATOR SMITH: Now, a teacher...assuming LB 126 passes, teachers in a Class I school district, are they guaranteed a job in the larger district?

SENATOR RAIKES: Yes, they would become a part of the...

SENATOR CUDABACK: One minute.

SENATOR RAIKES: ...staff of the K-12 district which they became a part of. Or the...yeah, the part that gets the building and all that sort of thing. Now, would they be guaranteed a job? If it's...if it would be possible or chosen by the K-12 board to reduce staff, then they would go through the staff, the RIF procedures, I think that's the correct acronym there, as any other teacher in the K-12 system. So they would have the same basis for seniority and those kinds of things that typically gets...they wouldn't be discriminated against, in terms of...

SENATOR SMITH: Right. So the selection of who would teach the next year would be based on the amount of time they spent teaching, not necessarily their ability to teach, the quality issues?

SENATOR RAIKES: Well,...

SENATOR CUDABACK: Time.

SENATOR SMITH: Thank you.

SENATOR CUDABACK: Thank you, Senator Smith. Senator Stuthman.

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

SENATOR STUTHMAN: Thank you, Mr. President, members of the body. I've been listening to the discussion most all of the morning. And I would like to talk a little bit about the comments that Senator Baker made about his school district, you know, making decisions to combine, cooperate, doing that on their own. The thing that really concerns me is, you know, there are some districts that realistically should be closed, should combine and be with another school district. But I realistically think, do we really need state legislation, you know, to do this, to force several to do something that should realistically be done on their own, in respect to the students' education and the property owners of the district? So that is the concern of mine. I...in my district, you know, we're fairly well populated. It's not a large issue, a big decision in my issue. But we have some districts that are right close to me that are really affected by this. So I'm trying to keep an open mind, but I'm realistically thinking that, you know, should we as a legislative body, you know, legislate something that realistically should be done and be the responsibility of the school boards, the administrations, and the property tax owners in that district? So I'm keeping a very open mind on this at the time right now. And with that, I will return the balance of my time to the Chair. Thank you.

SENATOR CUDABACK: Thank you, Senator Stuthman. Senator Janssen.

SENATOR JANSSEN: Senator Cudaback, I respectfully call the question on AM0354.

SENATOR CUDABACK: The question has been called. Do I see five hands? I do see five hands. All in favor of ceasing debate vote aye; those opposed, nay. The question before the body is ceasing debate on AM0354. The question before the body is, shall debate cease? Have you all voted who care to? Senator Janssen, for what purpose do you rise?

SENATOR JANSSEN: Like to have a call of the house, please.

SENATOR CUDABACK: Been a request for a call of the house. All in favor of the house going under call vote aye; those opposed,

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 126

may. Record please, Mr. Clerk.

CLERK: 19 ayes, 4 nays, Mr. President, to place the house under call.

SENATOR CUDABACK: The house is under call. All unauthorized personnel please leave the floor. Unexcused senators, report to the Chamber. The house is under call. The house is under call. All unauthorized personnel, please leave the floor. Unexcused senators, report to the Chamber. Senator Cunningham, Senator Stuhr, Senator Landis, Senator Howard, Senator Chambers, Senator Friend, Senator Preister, and Senator Connealy. The house is under call. Senator Stuhr. Here she is. I'm sorry about that. Thank you. Senator Friend. Senator Preister. Senator Preister, the house is under call. Senator Janssen, how did you wish to proceed? Did you wish to do a call-in, or roll call vote?

SENATOR JANSSEN: Call-in. Call-in.

SENATOR CUDABACK: Senator Janssen has authorized call-ins on the question to cease debate.

CLERK: Senator Wehrbein voting no. Senator Baker voting yes. Senator Schrock voting yes. Senator Stuhr voting yes. Senator Chambers voting yes. Senator Mines voting yes. Senator Aguilar voting yes. Senator Bourne voting yes. Senator Preister voting yes. Senator Pahls voting yes.

SENATOR CUDABACK: Record please, Mr. Clerk.

CLERK: 25 ayes, 10 nays to cease debate, Mr. President.

SENATOR CUDABACK: Debate does cease. Senator Raikes, you're recognized to close on AM0354 to LB 126.

SENATOR RAIKES: Thank you, Mr. President, members. Let me just remind you that this is a technical amendment. We did...you have a sheet that outlines the points, and we did go over them. I would urge your support. Thank you.

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 10, 2005 LB 12, 126, 388, 446, 619

SENATOR CUDABACK: Thank you, Senator Raikes. You've heard the closing on advancement of AM0354. All in favor of AM0354 amendment vote aye; opposed, nay. The question is, shall AM0354 be adopted to LB 126? Have you all voted on the question who care to? Record please, Mr. Clerk.

CLERK: 33 ayes, 6 nays, Mr. President, on the adoption of Senator Raikes' amendment.

SENATOR CUDABACK: The motion was successful, and I do raise the call. Mr. Clerk, items for the record.

CLERK: Mr. President, I have a series of hearing notices from the Appropriations Committee and from the Government Committee, signed by the respective chairs. Your Committee on Natural Resources reports LB 619 to General File with committee amendments attached. Business and Labor reports LB 12 to General File with amendments, and LB 388 to General File with amendments, those signed by their respective chairs. I'm sorry, Business and Labor reports LB 12; General Affairs reports LB 388. Senator Dwite Pedersen would like to add his name to LB 446. (Legislative Journal pages 483-486.)

And I have a priority motion, Mr. President. Senator Byars would move to adjourn until Friday morning, 9:00 a.m.

SENATOR CUDABACK: You've heard the motion by Senator Byars to adjourn until Friday morning, 9:00 a.m. All in favor of the motion say aye. Opposed to the motion say nay. We are adjourned until tomorrow morning at 9:00 a.m.

Proofed by: AEG