



*Telling the whole story.*

7521 Main Street, Suite 103  
Ralston, Nebraska 68127

(402) 597-3100 P  
(402) 597-2705 F

<http://voicesforchildren.com>

**BOARD OF DIRECTORS**

Eric Nelson  
*President*

Tim Hron, MA, LIMHP  
*Vice President*

Donna Hammack, MSEd  
*Secretary*

Steve Mitchell  
*Treasurer*

Yolanda Chavez Nuncio, MEd  
Catherine Damico, JD  
Jeremy Fitzpatrick, JD  
Joel Jacobs  
Eric Johnson  
Lloyd Meyer  
Daniel Padilla  
Michael Socha

Aubrey Mancuso, MSW  
*Executive Director*

*A member of:*



*Find us on:*



February 8, 2016

To: Members of the Education Committee

From: Julia Tse, Policy Associate

**Re: Neutral Testimony for LB 1065 to change provisions relating to the Community Eligibility Provision**

Voices for Children has taken a neutral position on LB 1065—while we are supportive of its intent to increase the adoption of the Community Eligibility Provision (CEP) in our state by clarifying existing language, we have concerns that it may unintentionally create a financial disincentive for many schools in our state.

We believe that with the right support, the CEP has great potential to help many schools in Nebraska. Federal reimbursement for universal school meals is better and more efficient for kids, families, staff, and administrators. However, **Nebraska has one of the lowest uptakes in the country: only 8 of 109 eligible schools, with a total of 2,084 students, adopted the provision in the most recent school year. In about half of the schools that have not taken up CEP, at least half of the total student population is identified as low-income or at risk of hunger, with some schools reporting as high as 76% of all students.**<sup>1</sup>

The provision allows schools to discontinue collecting applications for free or reduced price meals (FRP), but since FRP calculations have long been tied to state aid for schools, specifically relating to the poverty allowance, lack of clarity around the issue left schools with a choice between maintaining state funding levels and adopting the provision.

Last year, LB 524, later amended into LB 525, sought to address the option for our state by allowing schools the use of their identified student percentage (ISP) for state aid calculations. However since ISP only includes students who are “directly certified” for FRP through other programs, such as public assistance, it is generally an underestimate of actual poverty in schools. LB 1065 seeks to address this by introducing a 1.1 multiplier to the ISP as a proxy measure for state aid under TEEOSA.

It is our understanding that the 1.1 multiplier came from analyses of numbers from 7 current CEP schools, but **our concern is that many schools will still face a loss in levels of state aid with this formula.** We believe that it is important to incentivize the adoption of the CEP, given the success that the provision has seen across the country and in Nebraska. **Based on calculations of data made available by the Nebraska Department of Education, we believe that the 1.1 multiplier may not capture actual levels of poverty in all schools.**<sup>2</sup> We recommend that the effectiveness of the 1.1 multiplier as a proxy measure for poverty be confirmed based on district-level data of *all* eligible schools before proceeding, or that

<sup>1</sup> “Community Eligibility Database: Schools That Can Adopt Community Eligibility for 2015-2016,” Center for Budget and Policy Priorities, 2015.

<sup>2</sup> Calculations based on numbers available from “Community Eligibility Provision (CEP) Annual Notification of Schools,” Nebraska Department of Education, [http://www.education.ne.gov/ns/NSLP/CEP/2015%20PropNotificaitonReportCEP\\_School.pdf](http://www.education.ne.gov/ns/NSLP/CEP/2015%20PropNotificaitonReportCEP_School.pdf).

provisions similar to those in another bill before the committee, LB 1004, to hold schools harmless with a “freeze,” be amended into the bill.

We thank Senator Sullivan for her leadership on this issue and in this committee, and respectfully urge the committee to consider our concerns regarding this bill. Thank you.