



**LB 480 Testimony**  
**Marshall A. Hill, Executive Director**

Feb. 4, 2013

- First of all, we commend Senator Lathrop for what appears to be the overarching intent of this bill, which is to address many of the state's workforce needs through postsecondary education. Furthermore, many students who seek to continue their education past high school increasingly find the economic burden too much to shoulder. This bill also attempts to address that issue.
- However, we do have some concerns about LB 480. First, regarding the designation of the Coordinating Commission to administer this program. The Commission has extensive experience administering financial-aid grant programs. However, LB 480 offers few details as to how this grant program would be administered, making it difficult to comment on our involvement or the program's potential effectiveness.
- On a related note, we were asked but unable to provide a fiscal note on this bill due to unanswered questions about the magnitude of this program and how it would be administered. For example, it states the Coordinating Commission "may solicit and receive donations" to fund the program. The Coordinating Commission is not currently equipped to take on fund-raising duties for additional financial aid, as our one employee who administers two state grant programs totaling more than \$15 million in student awards is fully committed to that work.

- Finally, two comments on the larger issue of financial aid in Nebraska.

First, this state has traditionally awarded financial aid to students with the greatest financial need. We believe this is the right approach, but Nebraska lags in this area, currently ranking 33<sup>rd</sup> nationally in need-based financial aid. This bill, as written, does not account for a student's financial need when awarding grants.

Second, the state's current student financial-aid programs award money to students, who can then choose their field of study – whether it's business, nursing, teaching, or the technical fields addressed in this bill. Eligibility among our low-income students is not determined by their field of study, as this bill would do. We believe any state-funded financial aid should continue to flow to our neediest students, regardless of their fields of study.