

**ONE HUNDREDTH LEGISLATURE - SECOND SESSION -
2008**

COMMITTEE STATEMENT

LB1017

Hearing Date: February 22, 2008

Committee On: Revenue

Introducer(s): (Raikes)

Title: Change tax levy provisions relating to risk management pools

Roll Call Vote - Final Committee Action:

Placed on General File with Amendments

Vote Results:

5 Yes	Senators Dierks, Janssen, Langemeier, Preister and Raikes
1 No	Senator Burling
1 Absent	Senator Cornett
1 Present, not voting	Senator White

Proponents:

Senator Ron Raikes
Joe Elliott

Representing:

Introducer
Professional Insurance Agents Association of Nebraska

Opponents:

George Robertson
Al Schneider
Fred Meyer
Lynn Rex

Representing:

Mead Public Schools
ESU #5
Tri County Public Schools
League of Nebraska Municipalities

Neutral:

None

Representing:

Summary of purpose and/or change:

LB 1017 would make several forms of property tax funded insurance payments by local governments subject to the levy limits. Current law provides that these specific insurance payments are not subject to levy limit.

Section 1 would make all these taxes levied for insurance payments subject to the levy limit.

Section 2 would make bonded indebtedness for these insurance payments subject to the levy limit.

Section 3 would provide that these levies for insurance payments are not exceptions to the 15 cent allocation authority given county boards.

Section 4 would repeal the original sections.

Section 5 would add the emergency clause.

Explanation of amendments, if any:

The Committee amendments would limit the levy restrictions on insurance payments and bonds to school districts and Educational Service Units. All other pooling arrangements by municipalities and counties would be unaffected by LB 1017 under the Committee amendment.

With regard to bonds issued for insurance premiums by school districts and Educational Service Units, any bonds issued after the effective date of the bill would have to be within the levy limits under the Committee amendments. For bonds existing on the effective date, the levies would be within the levy limit beginning with fiscal year 2011-12.

Senator Ray Janssen, Chairperson