



**Hundredth Legislature - First Session - 2007  
Committee Statement  
LB 604**

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**Hearing Date:** March 7, 2007  
**Committee On:** Revenue

**Introducer(s):** (Raikes)  
**Title:** Change educational service units' taxing authority

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**Roll Call Vote – Final Committee Action:**

- Advanced to General File
  - Advanced to General File with Amendments
  - X Indefinitely Postponed
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**Vote Results:**

- |   |                     |   |
|---|---------------------|---|
| 5 | Yes                 | Senators Burling, Janssen, Langemeier, Preister and White |
| 2 | No                  | Senators Cornett and Raikes                               |
| 1 | Present, not voting | Senator Dierks  |
| 0 | Absent              |   |
- 

**Proponents:**  
Senator Ron Raikes  
Jim Pappas

**Representing:**  
Introducer  
Bellevue Public Schools

**Opponents:**  
Greg Barnes  
  
Michael Cuning  
Gary Oxley  
Bill Vasey  
Michael Ough  
Brian Hale  
Jess Wolf

**Representing:**  
Bertrand Community School and  
Nebraska Rural Community Schools Association  
Sutherland and Hershey Schools  
Raymond Central Public Schools  
ESU #10, Kearney  
ESU #2  
Nebraska Association of School Boards  
Nebraska State Education Association

**Neutral:**  
None

**Representing:**

**Summary of purpose and/or changes:**

LB 604 would have amended the levy limits (section 77-3442) and the authority of an ESU board to levy a tax (section 79-1225) to eliminate the levy authority of Educational Service Units beginning with the 2008-09 fiscal year. Section 13-518 (budget limits), section 77-1601.02 (certification of all levies by the county board), section 77-3445 (councils on public

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improvements), section 79-318 (duties of the State Board of Education), and sections 79-1217 & 79-1224 (duties and powers of ESU boards), would have been harmonized to the elimination of the ESU tax levy.

Section 6 would have amended section 79-1213 to change the warrant procedure for paying ESU expenses. Under LB 604, warrants were to be drawn against core services funding from the state and would bear interest of 6 percent. Section 11 amended section 79-1241.01 to state intent to appropriate funds in addition to core services funding equal to a 1½ cent statewide levy.

**Explanation of amendments, if any:**

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**Senator Ray Janssen, Chairperson**