

ONE HUNDREDTH LEGISLATURE  
FIRST SESSION  
LEGISLATIVE RESOLUTION 74

Introduced by Hudkins, 21

PURPOSE: Funding for the public K-12 educational system is an ongoing issue for the Legislature. For more than a decade, the Legislature has consistently started the process of funding our educational school system by first looking at the ability of a local school system to fund its needs from property tax revenue. The state has then provided funding through a state aid to education formula that attempts to fund each school district in proportion to the district's needs that are unmet by property tax revenue. In 2007, LB 241 would have deemed teachers employed by K-12 school districts to be state employees for purposes of compensation. The amount of funding necessary to implement this policy decision is uncertain and how such action would impact the budget of the State of Nebraska and the amount of further equalization funding that would be necessary are issues that need to be understood in order for the Legislature to seriously consider implementation of such a policy.

In Article VII, section 1, the Nebraska Constitution of Nebraska states "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." How the Legislature will fund this requirement of the state constitution is of utmost

importance to the property taxpayers of this state. Financial support of education makes the heaviest demand on the amount of revenue raised through the property tax system. Finding a new method of appropriating the necessary funds for the support of the K-12 educational system is the most paramount issue to be resolved in order to provide meaningful property tax relief.

The Appropriations Committee shall conduct an interim study to analyze the fiscal impact of making K-12 public school teachers employees of the State of Nebraska. The study should cover the following issues:

1. What would be the fiscal impact on the state budget to finance the compensation packages of K-12 public school teachers?

2. What could be the impact on the current state aid to education formula?

3. Are there any constitutional hurdles that would impede the enactment of the necessary statutes to make the K-12 public school teachers state employees?

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ONE HUNDREDTH LEGISLATURE OF NEBRASKA, FIRST SESSION:

1. That the Appropriations Committee of the Legislature shall be designated to conduct an interim study to carry out the purposes of this resolution.

2. That the committee shall upon the conclusion of its study make a report of its findings, together with its recommendations, to the Legislative Council or Legislature.