



Hundredth Legislature - Second Session - 2008
Introducer's Statement of Intent
LB 1057

Chairperson: Ron Raikes
Committee: Education
Date of Hearing: February 05, 2008

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

This Act provides equalized state aid to school districts which have incurred, and obligated their property taxpayers for, certain bonded indebtedness related to education facilities in the common schools.

The equalization feature of this Act provides a higher level of state assistance to school districts with lower valuations per student, and a lower level of state assistance to school districts with higher valuations per student, but in no case provides an assistance level greater than fifty percent to any school district.

The Act utilizes the "Temporary School Fund" as the funding source for the new state assistance program. Shifting these funds from the support of general fund operations of school districts to the new facilities aid program involves several 'steps':

- 1) School districts will continue to receive the general fund support through the 2007-2008 school fiscal year.
- 2) In 2008-2009, school districts will cease receiving the general fund distribution, but their state aid for that fiscal year will no longer include the former general fund payments (those received in 2006-2007) as an "accountable receipt," thereby holding equalized school districts essentially 'harmless' in their general funds.
- 3) In 2008-2009, there will be no distributions from the Temporary School Fund. This will allow the distributions to transition from a "forecasted" amount to a certain, certifiable amount which can be budgeted by school districts and used as a dollar-for-dollar reduction in property tax requests in 2009-2010.
- 4) In 2009-2010, school districts will begin receiving the new facilities assistance.

School Districts with qualifying Early Childhood Education programs will receive additional support from the Act.

Principal Introducer:

Senator Gwen Howard