

One Hundred Third Legislature - Second Session - 2014

Introducer's Statement of Intent

LB1026

Chairperson: Senator Heath Mello

Committee: Appropriations

Date of Hearing: February 05, 2014

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

LB 1026 creates the Nebraska Educational Trust Fund for the purpose of stabilizing the availability of state aid to education when there is a significant decline in sales and income tax revenue. A significant decline is defined as a decrease of more than five percent below the historic ten-year annual growth rate in sales and income tax revenue. When such a decline occurs, LB 1026 affords the ability of a funds transfer from the Educational Trust Fund to the Tax Equity and Educational Opportunities Fund for distribution across the state.

LB 1026 transfers an amount equal to ten percent of the amount appropriated for state aid to public schools to the Educational Trust Fund as an opening balance. In any year in which sales and income tax revenue exceeds the historic ten-year annual average, the excess revenue may be added to the Educational Trust Fund balance.

Principal Introducer: _____

Senator Kate Bolz