

Legislature - First Session - 2019

Introducer's Statement of Intent

LB497

Chairperson: Senator Lou Ann Linehan

Committee: Revenue

Date of Hearing: February 14, 2019

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

LB497 is the School District Property Tax Authority Act. The bill phases in a minimum state aid guarantee over three years to equal 50% of basic funding as determined by the TEEOSA formula; phases in a reduction in value of agricultural land for school tax purposes only to 40% of actual value over three years; lowers the local effort rate in TEEOSA to .9750 beginning with school year 2020/21; establishes an annual maximum property tax authority for each school district; and increases state revenue to fund additional aid to schools. The state budget would not be impacted by additional aid until FY2020/21, and new revenues would allow a transfer of \$150 million to the Cash Reserve Fund in FY2019/2020.

Principal Introducer: _____

Senator Curt Friesen