

One Hundred Second Legislature - First Session - 2011

Introducer's Statement of Intent

LB537

Chairperson: Senator Abbie Cornett

Committee: Revenue

Date of Hearing: February 04, 2011

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

The purpose of LB 537 is to allow exemptions to the budget lid and property tax levy limitations to make up for any reductions in state aid.

LB 537 would amend Section 13-519 to change the definition of "allowable growth," which applies to the budget lid on "restricted funds" for political subdivisions. The bill would add a provision to allow local governments to increase their restricted fund budget by an amount equal to the reduction in state aid from the prior fiscal year. This provision would be available for fiscal years beginning on or after July 1, 2011.

LB 537 would also amend Section 77-3442 to allow local government to exceed their property tax levy limits "for fiscal years beginning on or after July 1, 2011, for replacing revenue lost due to reductions in state aid as defined in subdivision (7) of section 13-518 from the prior fiscal year are not included in the levy limits established by this section."

Principal Introducer: _____

Senator Russ Karpisek