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LB 407, 540

SENATOR RAIKES: Yes.

SENATOR JONES: Senator Raikes, we talked about this a little bit yesterday, but this going to \$1.05, this is dealing with LB 540. It's not even dealing with LB 407 at all, so we're talking about two different issues here altogether. The university's is LB 407 and the other is going to be LB 540, right?

SENATOR RAIKES: Well, Senator, actually you're right, but both bills need to be involved in K-12 funding. LB 540 lays out the mechanism and the actual levy lids, the spending lids and all that sort of thing. But the money to fund school finance has to be appropriated in LB 407, so both bills have to be involved in the process. My effort here is to simply try to make the two compatible and to err, in LB 407, on the conservative side rather than on the other side.

SENATOR JONES: Yes, I understand now, so that we do have to pass it all on LB 407 and then we will have to pull LB 540 back, put the mechanism in to make it work. Is that right?

SENATOR RAIKES: You're right, Senator, yes.

SENATOR JONES: Okay, another question is, he went from \$10 million down to \$8 million, and this is only if the schools out there would go to the \$1.05. If a school went to \$1.03, that number would change dramatically, is that right?

SENATOR RAIKES: No, Senator, that isn't right. This is the mechanism that we use to determine the amount of state aid we send to schools. In effect, once the state aid is determined, then each school board will have the decision as to where they want to levy and, of course, they can levy anywhere up to, if we make the change, the proposed change, to LB 540, they could levy anywhere up to \$1.05. But this number, which is now \$10 million and I propose to change to \$8 million, would not change depending upon those decisions by local school boards.

SENATOR JONES: To my understanding then, if the school boards did not go up, this will be that much money...less money that