

February 21, 1995 LB 830

CLERK: 27 ayes, 2 nays on the adoption of the amendment.

PRESIDENT ROBAK: The Chambers amendment is adopted. Anything further?

CLERK: Senator Wickersham would move to amend. (Wickersham amendment appears on page 780 of the Legislative Journal.)

PRESIDENT ROBAK: The Chair recognizes Senator Wickersham to open on his amendment.

SENATOR WICKERSHAM: I wish I knew which amendment this was.

CLERK: Page 39, line 24, strike "may", insert "shall". It's printed, Senator, on page 780, page 39, line 24.

SENATOR WICKERSHAM: Yes, I'm sorry, Mr. Clerk, I thought this amendment was probably taken up this morning. I remember what it does. The amendment is inserted to raise an issue with regard to 1059 funding. The issue is whether or not a development of this size can affect the distribution of state aid across the State of Nebraska and, in particular, in the school districts where it might be located. And because of the large value associated with something like the Micron plant, it is my belief that it can affect the distribution of state aid across the State of Nebraska and it can certainly affect value within the school district where it's located and the distribution of aid in that district. Now what happens, or at least my understanding of what happens, is that the Micron plant would not be included in the value used by the Department of Education for determining local effort yield rate. The local effort yield rate, as you may recall, is like a statewide levy rate that is determined based on school budgets, their other resources and their needs. If the value of the Micron plant is not included in that valuation, the local effort yield rate will be artificially high across the State of Nebraska. Because the rate is artificially high, districts will be counted as having greater resources than they would have if the Micron plant had not been built. That will result in a reduction in equalization aid in those districts. A reduction in equalization aid will likely result in an increase in local property taxes. So the effect, the effect of the Micron plant can be artificially high tax rates in other school districts across the State of Nebraska. It will certainly result in equalization aid being paid to a school district which has a very large taxable