

February 13, 1996 LB 349

behind the bill, as introduced by Senator Robak and as I understand it, and she's standing here and I think maybe she's better able to comment on her bill than I am, and I, you'll perhaps want to ask her this question, but I believe that the idea behind the bill is that if you have a lot of income in a district, that you have an ability to pay for the support of the schools. And if you have a lot of real estate, you also have that ability. The notion is that we don't currently recognize in an adequate way the factor of income in calculating that ability to pay for the support of the schools. So what Senator Robak does, instead of using an income tax rebate, which is one way of using that resource, is to say instead we're going to adjust the valuation of your property up which will also, could reduce your state aid if you're eligible for state aid...

SENATOR ROBINSON: You mean if you have a high income is what you're saying.

SENATOR WICKERSHAM: If you have a high income it'll increase the value of your property which increases the amount that comes out of the calculations of the local yield. You take the local effort yield rate...

SENATOR ROBINSON: Yeah, okay.

SENATOR WICKERSHAM: ...times the value of the property, that is the calculation of one of your local resources. If that comes up more than your needs, plus the other resources that you have, if that comes up more than your needs you won't qualify for state aid.

SENATOR ROBINSON: That would be based on each school district then...

SENATOR WICKERSHAM: Yes. But the idea is that if you have a lot of income as a resource in your district, that you have an ability to pay additional taxes. Now if Senator Robak, instead of having you pay additional income tax as a recognition of that resource, would simply have you pay potentially additional real property taxes because you pay your real property taxes out of the income.

SENATOR ROBINSON: I see.