

February 14, 1996 LB 1050

SENATOR WICKERSHAM: Thank you, Madam President. I think we need to address perhaps another aspect, and it follows along with the idea of what we should do to create equalization in the state of Nebraska. We had an interesting committee hearing on another bill, it was a bill that was introduced by Senator Withem. One of the proponents of that bill was an administrator in a school district, and that individual came up and supported the bill because he said that the bill would have increased equalization in the state of Nebraska. But that administrator was asked a couple of questions about the kinds of aid that his particular school district receives. That particular school district receives 9.5 million, you can write the number down, \$9.5 million from the federal government as impact aid, and that \$9.5 million does not count against equalization from the state of Nebraska; \$9.5 million in disequalizing receipts received by one school district. Now, admittedly, there may be little or nothing we can do about that disequalizing payment because it's received as a result of federal law. I'm not suggesting that we have to do something, or even that we can do something about that \$9.5 million. But if we're all going to stand up here and we're going to talk about equalization and how that is a paramount objective, and how this is going to create equalization, I think it's incumbent upon us to know that there are other factors that affect equalization and affect it almost to the same degree that the income tax rebate, as it currently stands, does, and there's very little or no discussion about that. There is also another significant, in my mind, disequalizing portion of the current equalization formula, and that has to do with the current single tier status for the Omaha school system. Now that's not a subject matter of this bill either. But a couple of years ago I introduced a bill to remove that single tier status, I received a call from a lobbyist for the Omaha School District, and that person was absolutely in a panic. They said that my bill would cost that school district \$21 million if they were simply placed in a tier with other school districts where they had to compete on average cost to receive state aid. Now if that was going to cost that school district \$21 million to be put in a tier with another school district, then there is something wrong with the equalization formula as it applies to Omaha currently. That was \$21 million three years ago, it's more now. And that is more than the income tax rebate that goes to nonequalization school districts. Now, in fairness Senator Beutler has a bill that's...