

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
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LB 149

Senator Quandahl did and you won't have to vote today. Now the broader policy question, and at least one of them, and I think Senator Bohlke addressed it briefly, but I think it's as important as anything else. In the 149, while it won't bring absolute stability to the state aid formula, should, should enable school districts, maybe with a little bit more information, I know they would want more information, to predict what they will be able to receive under future calculations of state aid based on the principles that are in 149. Now, what are the principles in 149 that are important to that objective? One, moving the certification date to February 1, because that allows us to use actual numbers for the calculation of state aid. We won't have to use estimated numbers anymore. So a school district will be able to go back to their numbers, their numbers only, and begin to make an...begin to make a calculation about the effect of changes in their district on the state aid formula. Estimated numbers are out; actual numbers are in. That should produce stability. In addition, 149 clarifies the way in which we are to calculate the amount of aid that goes into the formula, and that should help, because right now we have two separate calculations that are designed to produce roughly the same result but don't necessarily produce the same result. One of them is a calculation made by the Fiscal Analyst, and he calculates, or he or she, excuse me, calculates an amount of money that would be necessary to fund the formula and produce local levies, local levies. Remember this difference between actual taxes, local levies and the local effort rate. He or she makes a calculation that puts amount of state aid into the formula necessary to push local levies ten cents under the maximum. That's the amount they give to the Department of Education by November 1. By December 1, the Department of Education takes that number plus the other data that they have and makes another calculation, and that's the actual amount of state aid to be distributed. And in that calculation the local effort rate can float between \$1 and \$1.10. That's the reason you saw it fluctuate up to \$1.08 in the December 1 certification. That number went up...

PRESIDENT MAURSTAD: One minute.

SENATOR WICKERSHAM: ...solely because of the \$22 million in the respin, and that's also eliminated so that we're not going to be