

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE  
Transcriber's Office

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to offer you the chance to give us an update. Why don't we just move...Mr. Clerk, do we have an amendment on the desk?

ASSISTANT CLERK: Senator Raikes, it's my understanding you want to offer AM2536 and withdraw AM2404? Is that correct?

SENATOR RAIKES: Yes.

SPEAKER KRISTENSEN: Any objection? So ordered. Senator Raikes, you're recognized to open on your substitute amendment. (AM2536, Legislative Journal page 797.)

SENATOR RAIKES: Okay, thank you, Mr. Speaker, members of the body. I am going to take just a couple of minutes to try to review some of the things we talked about two days ago. And there's...you've received several pages, and one of them is on the top state aid formula for K-12 districts, which is sort of an outline of the review. So, if you can find that, I'll follow that along with you. And first off, let me extend my sympathy for the confusion and the complication involved in all of this. I know exactly how you feel. Claudia had explained to me this several times, over and over and over before I was finally able to understand it. If you start out, the first line again restates the basic structure of our aid formula--needs minus resources equal aid. And I've got some numbers there which indicate, I think, the financial importance. The needs we're calculating here amount to almost \$1.7 billion. The resources are more than \$1.2 billion, and equalization aid is about \$455 million. So this is a very significant issue, not only to the state government and state finances, but also of course to the school systems. The issues that I hope to address with LB 715 are predictability--an issue that we continually struggle with, but the ability of schools to anticipate what is going to happen from year to year with the state aid they are allowed. One that has...a second one...issue that has come up more recently is the expanding or you might call exploding differences in cost per student between cost...sparsity classes. Particularly, very sparse versus standard has gone from less than \$600 per student, only two years ago, to \$1,420 per student in the most recent certification. This has implications, not only for equity among schools, but for reorganization incentives, which we can talk more about. The minimum levy