

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

March 10, 2000 LB 1401

LB 1401 to E & R for engrossing.

SENATOR CROSBY: You've heard the motion to advance L...Senator Bromm, did you wish to speak before we advance?

SENATOR BROMM: Uh, no.

SENATOR CROSBY: Light is on. That...

SENATOR BROMM: No.

SENATOR CROSBY: Senator Bohlke, did you wish to speak on this bill before it advances? Senator Bohlke, did you wish to speak on this bill before it advances?

SENATOR BOHLKE: Yes, Madam President and members, we were busily preparing an explanation of part of the amendment that is technical. I could actually do it further on the A bill. Because of the technicality, it does have a cost and the cost on the A bill will be somewhat significant. It could be a million to a million and a half dollars. And this has to do with the schools, Indian schools, on the reservations. At this time, I will read through an explanation. It is somewhat complicated and I was trying to get a copy for all of you to read. I may also try to do that after I...I read through the explanation for you and then, when we get to the A bill, I could promise you we can have a significant discussion of the ramifications from the technicality. The schools, the Indian schools on the reservations have had a problem with the lop-off effect for those schools. The purpose of the lop-off is to mitigate the yo-yo effect of giving a local system an amount of aid that causes the system to drop their levy below the minimum levy adjustment level. The lop-off calculation attempts to allow districts to retain as much aid as the local system can legally spend within the budget limitations without putting aid into reserves or dropping their levy below the minimum levy. In most instances, the lop...the local system is forced to lower their levy if the system receives a certain amount of state aid due to the budget limitations. Districts that receive a large portion of their budget from federal impact aid are not in that same position. These districts can shift their impact aid from the General Fund to building funds without violating the budget