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FLOOR DEBATE

April 24, 2003 LB 540

increased from the 0 to 2 percent range to a 0 to 3 percent range. We're giving special allowance on the spending side, if you will, for school systems that are low-spending and find themselves with a limited amount of budget authority. I would quickly add, and I should have done that before this, that another source of spending authority for school systems is unused budget authority, which they may have carried forward from previous years. Again, dropping the basic allowable growth rate from 2.5 to 0 percent is the second really major feature of the proposal we offer you. This is the mechanism we're using for reducing the total amount of spending that would be available to school systems, which then, as I mentioned earlier, is going to be divided differently as between property taxes and state aid. There are, of course, a number of somewhat technical things that have to be dealt with in this because we are...certification would normally take place February 1. We are changing...or this proposal, at least, would change the certification mechanism and amounts, so we need to provide for a recertification. That is taken care of in the bill. There are a number of dates that have to be changed for budgeting decisions and submission, and those are also taken care of in the bill and they are outlined on this single-page sheet that I've given you. So, to summarize quickly, perhaps the main portion of LB 540, as amended, is the reduction of state expenditures for K-12 schools, and that's accomplished by reducing the total spending authority available for school systems and then redividing that or dividing the burden differently so that a relatively bigger percent is paid for by property taxes and a relatively smaller percent by state aid. A second provision of the bill deals with a...of the amendment, I should say, deals with financing of life safety code, indoor air quality, and mold abatement prevention projects. Particularly the mold abatement and prevention has become a serious issue with schools. I guess I should also say that the life safety code, particular fire regulations and so on, have become very important. There is currently a provision in statute that a levy...

SENATOR CUDABACK: One minute.

SENATOR RAIKES: ...up to 5.25 percent can be used to...for a