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LB 38

SENATOR RAIKES: Restricted funds...

SENATOR FISCHER: ...your definition, then?

SENATOR RAIKES: I'm sorry. Say that again, Senator?

SENATOR FISCHER: Your definition of the restricted funds on page 1, line 14 and 15, are those funds equal to last year's total plus last year's taxes?

SENATOR RAIKES: Senator, I'm searching to get that in front of me. Generally speaking, restricted funds would be those that are subject to the budget lid. And I'm assuming that's what this means in this context as well.

SENATOR FISCHER: Okay. Also, what is a base year revenue?

SENATOR RAIKES: I'm sorry?

SENATOR FISCHER: What is a base year revenue, in the calculations?

SENATOR RAIKES: Base year revenue is the expenditures from the previous year...at least in terms of the aid formula, the expenditures for the previous year, and I think there's allowed a 2 percent growth for inflation, and then there's also an allowance for student growth. So if you add those together, you come up with a...with the base revenue number for each area.

SENATOR FISCHER: Okay. And then, what do you use that number to calculate? What does it calculate, exactly?

SENATOR RAIKES: That number drives the aid formula. You apply the 40 percent of state aid, the 40 percent of property taxes, the 20 percent of tuition to that base revenue number. The bigger that revenue number is, the bigger 40 percent of it is, and so on.

SENATOR FISCHER: Okay. Let's see. When you add the amount of revenue collected to the base year revenue, what does that do,