

Committee Statement

LB 613

Hearing date: February 9, 1995

Committee on: Revenue

Title: LB 613 (McKenzie, at the request of the governor) change property tax limitations for political subdivisions

Roll call vote, final committee action

Advanced to general file

Y Advanced to general file with amendments

Indefinitely postponed

Vote results:

5 yes Senators Hartnett, Kristensen, Warner, Wickersham and Will

2 no Senators Coordsen and Landis

0 present, not voting

1 absent Senator Schellpeper

PROPOSERS

Senator Janis McKenzie

Kim Robak, Lt. Governor

Ed Jaksha

David Hunter

REPRESENTING

Introducer, Req. Of Governor

Governor Nelson

Self

Self And Citizens For A Responsible LPS Budget

OPPOSERS

Jim Griess

Diane Heiser

Harlan Metschke

Lynn Rex

Martha Fricke

Jerry Stilmock

Stan Kravig

David Burkholder

REPRESENTING

Ne State Education Assn.

Self

NCSA & Papillion-Lavista Schools

League Of Ne Municipalities

Ne Association Of School Boards

Ne State Volunteer Firefighters Assn.

Ne Rural Comm. Schools Assn.

Ne Cattlemen

NEUTRAL

John Moore, Dawson Co. Assessor

REPRESENTING

Ne Assn. Of County Officials

Summary of purpose and/or changes:

Lb 613 would tighten and extend the property tax asking lid, which affects subdivisions other than schools, in the following ways:

1. It excludes depreciable livestock from the prior year's valuation for purposes of calculating growth in valuation.
2. It decreases from 5% to 4% the maximum c.p.i. increase which can be passed on a simple majority vote. Therefore, increases of a percentage

between the CPI amount and 4% must be passed with a 75% approval of the governing body,' and increases beyond 4% must be passed by the voters.

3. It repeals outright the termination of the lid for budget year 1995-96.

The bill also would tighten the budget lid in place for schools as follows:

1. It repeals outright, section 79-3821 which allows unused budget authority to carry over.
2. It requires a special hearing. With seven days notice, before the budget can be increased more than zero percent to the otherwise allowable increase with a 75% vote of the school board and extends this zero percent increase provision indefinitely beyond the 1994-95 budget year.
3. It lowers the range of the original growth limitations from 4-6 1/2% to 3-5 1/2%.
4. It strikes the provision which allows up to 1% over the otherwise allowable range with a 75% vote of the school board.

The bill carries the emergency clause.

Explanation of amendments, if any:

The committee amendments

- 1) remove from the outright repealer section, section 79-3821, so that unused school budget authority would continue to carry over,
- 2) strike section 9 from the bill so that school boards may continue to increase expenditures 1% over the otherwise allowable limit with a 3/4 majority vote, and
- 3) change 4% to 3% on page 14. Line 22. Consistent with changes made elsewhere in the bill.

Chairperson