

**ONE HUNDRED THIRD LEGISLATURE - FIRST SESSION - 2013**  
**COMMITTEE STATEMENT**  
**LB323**

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**Hearing Date:** Tuesday February 19, 2013  
**Committee On:** Education  
**Introducer:** Haar  
**One Liner:** Create the School Finance Review Committee

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**Roll Call Vote - Final Committee Action:**  
Indefinitely postponed

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**Vote Results:**

**Aye:** 8 Senators Avery, Cook, Haar, Davis, Kolowski, Scheer, Seiler, Sullivan  
**Nay:**  
**Absent:**  
**Present Not Voting:**

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**Proponents:**

Senator Ken Haar  
John Bonaiuto

Jon Habben  
Virgil Harden  
Larry Scherer

**Representing:**

Introducer  
Nebraska Association School Boards and Nebraska  
Council of School Administrators  
Nebraska Rural Community Schools Association  
Grand Island Public Schools  
Nebraska School Education Association

**Opponents:**

**Representing:**

**Neutral:**

**Representing:**

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**Summary of purpose and/or changes:**

Legislative Bill 323 would create the School Finance Review Committee. The Committee would consist of the following members:

1. 4 members of the general public appointed by the Governor, with no more than 2 from the same congressional district;
2. 4 members who are either school administrators, superintendents, or school district business officials appointed by the State Board of Education, with no more than 2 from the same congressional district;
3. 1 member from a school board from each class of school district appointed by the chairperson of the Education Committee;
4. 3 members of the Legislature appointed by the Executive Board of the Legislative Council, with at least 1 from the Education Committee and 1 from the Appropriations Committee;
5. 1 representative of the Governor's Office appointed by the Governor; and
6. The Property Tax Administrator who shall serve as a nonvoting member.

Committee members would serve 3 year terms, except that 2 of the members of the general public and 2 members appointed by the State Board would serve for 2 year terms and 1 school board member would have a term of 1 year and 1 school board member would have a term of 2 years. Thereafter all members would serve 3 year terms, with the possibility of 1 additional 3 year term.

The Committee would monitor the operation of the Tax Equity and Educational Opportunities Support Act (TEEOSA) and suggest needed revisions. The Committee would be required to review the implementation and operation of budget growth limitations, equalization aid, the minimum levy adjustment, and expenditures of districts.

The Committee would be required to meet at least once annually and would be allowed to meet more often upon the call of the chairperson.

On or before July 1, 2014, and on or before July 1 of each following even-numbered year, the Committee would be required to make a report to the Governor, Legislature, and State Board of Education on the progress of the act in effectuating property tax relief, broadening the tax base for the support of the public school system, equalization of the tax burden for the support of the public school system, equalization of educational opportunities for students, and the effects of budget limitations on district spending patterns. The report to the Legislature would be submitted electronically.

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Kate Sullivan, Chairperson