

ONE HUNDRED FOURTH LEGISLATURE

FIRST SESSION

LEGISLATIVE RESOLUTION 201

Introduced by Sullivan, 41; Baker, 30; Brasch, 16; Cook, 13; Gloor, 35; Groene, 42; Hadley, 37; Harr, 8; Hilkemann, 4; Kolowski, 31; Mello, 5; Morfeld, 46; Pansing Brooks, 28; Scheer, 19; Schnoor, 15; Schumacher, 22; Smith, 14.

Read first time April 21, 2015

Committee: Executive Board

WHEREAS, providing quality education through Nebraska's public schools is essential to the quality of life for all citizens of the state; and

WHEREAS, school finance is a complex combination of education and tax issues; and

WHEREAS, the first recommendation by the 2013 Tax Modernization Committee regarding property taxes was to increase the state aid commitment to schools to offset property tax use and reduce property taxes as a share of total state and local taxes; and

WHEREAS, the need to continually review and update policy in response to changing circumstances also applies to the interaction between school funding and tax policies in the state; and

WHEREAS, the Legislature is the appropriate forum for discourse and community involvement to develop school finance and tax policy to enhance Nebraska's system of quality education within the context of state priorities and fiscal limitations.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ONE HUNDRED FOURTH LEGISLATURE OF NEBRASKA, FIRST SESSION:

1. The School Finance Modernization Committee is created as a special legislative committee and shall comprise:

- (a) The members of the Education Committee;
- (b) The members of the Revenue Committee;
- (c) The chairperson and vice-chairperson of the Appropriations Committee;
- (d) The chairperson of the Legislature's Planning Committee; and

(e) The Speaker of the Legislature.

2. The chairperson of the Education Committee shall serve as the chairperson and the chairperson of the Revenue Committee shall serve as the vice-chairperson of the School Finance Modernization Committee, which shall meet as often as is deemed necessary in order to accomplish the objectives expressed in this resolution. At least one meeting shall be held concurrently with a meeting of the Legislative Council convened by the chairperson of the Executive Board.

3. The School Finance Modernization Committee shall continue the work of the Tax Modernization Committee with respect to examining the financing of public schools in Nebraska and developing recommendations for improving school finance in Nebraska. The committee shall consider, but not be limited to, the following issues:

(a) Efficiency and effectiveness in the availability and the use of tax resources necessary to successfully educate the public school students of Nebraska;

(b) Fairness and equity for taxpayers and public school students in all parts of the state;

(c) Competitiveness for the state in terms of the state's ability to attract and keep well-paying jobs and investments based on the economic climate and a workforce educated for success;

(d) Stability in the resources available to school districts and the tax expectations for citizens of the state, particularly in times of economic volatility; and

(e) Simplicity, to the extent practical, to meet the wide variances in the circumstances of students and taxpayers across the state.

4. The School Finance Modernization Committee shall examine school finance and taxing systems in other states and relevant studies and literature with a focus on the mix of taxable resources used to support education, strategies for addressing economic volatility, and other issues as determined by the committee.

5. The School Finance Modernization Committee may require any state agency or political subdivision to provide information relevant to the committee's work, and the state agency or political subdivision shall provide the information requested to the committee within thirty days after the request. All such requests shall be made only by the chairperson or vice-chairperson of the committee. The committee may hold public hearings and may, pursuant to section 50-406 and the rules of the Legislature, exercise its authority to administer oaths, issue subpoenas, compel attendance of witnesses and the production of documents, and cause depositions of witnesses to be taken in the manner prescribed by law for taking depositions in civil actions in the district court.

6. The School Finance Modernization Committee shall utilize the services of an outside facilitator with expertise in neutral facilitation who does not have a professional or financial interest in school or tax policy in Nebraska to assist the committee with the study. The facilitator shall be selected by the chairperson and vice-chairperson of the committee in consultation with the chairperson of the Executive Board of the Legislative Council.

7. The School Finance Modernization Committee shall issue a report to the Executive Board of the Legislative Council and to the Governor not later than December 15, 2015, containing any recommendations and proposed language for any needed legislation. The report to the Legislature shall be submitted electronically.