



# Columbus Public Schools

“Engaging All Learners to Achieve Success”

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Opposition Testimony

LB 974

January 22, 2020

Chair Linehan and Members of the Revenue Committee:

Columbus Public Schools is a member of the Greater Nebraska Schools Association (GNSA), which is comprised of 25 equalized school districts, that represents over 222,000 of the 323,000 or 69% of school children in the state of Nebraska. We are representative of Nebraska education, as we educate 72% of low income students, 91% of ELL students, and 70% of all Special Education students. We submit this testimony **in opposition of LB 974** proposed by Senator Linehan.

We acknowledge the continued efforts by the Legislature in creating a bill that could potentially provide property tax relief. We agree that schools have been forced into an overreliance on property taxes as state aid has been cut time and time again from the current TEEOSA model. LB 974 attempts to address this issue, however it reduces total revenue available for schools by lowering tax authority to limit school’s ability to generate the revenue needed.

The legislature has already provided guidance to school districts in the adoption of levy limits and spending lids that have been in place for over 20 years. Because many of us are at the levy limit, school districts within GNSA have continued to rely on the will of the legislature to fund the TEEOSA formula at what we would say at an unacceptable level to keep our programs running at the levels they should. Yes, by law the legislature has fully funded the appropriation for the TEEOSA formula as designated by the legislature through changes within the formula to meet the needs of the legislative budget, but has not fully funded the original calculation of the TEEOSA formula but once.

As a representative of the Columbus Public Schools Board of Education, our board questions whether or not the process of this bill is in the right committee to begin with. Why is the portion of this bill dealing with education funding in the Revenue Committee? Our board feels that this should be heard and acted upon in the Education Committee.

According to the Legislative page that describes Revenue it states that the Revenue Committee is responsible for processing legislation involving the following subject areas:

- sales and use tax
- income tax
- property tax; homestead exemption; valuation of property
- motor fuels tax; aircraft fuel
- miscellaneous taxes; cigarette; liquor; insurance premiums; parimutuel; inheritance;

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- highway bonds; franchise; severance
- Department of Revenue; State Tax Commissioner
- tax incentives
- revenue forecasting

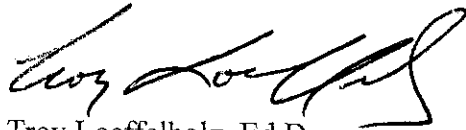
Whereas the The Education Committee is responsible for processing legislation involving the following subject areas:

- school districts; organization; reorganization; tuition; powers; offices; transportation
- schools; programs; compulsory education; special education; handicapped; gifted; student assessment; nutrition
- teachers; employees
- post-secondary education; state colleges and universities; vocational schools; community colleges; governing boards
- state aid; school funds; lands
- State Board of Education; Department of Education
- NETV; public radio; private and parochial schools; educational service units; learning communities

We are one of the 25 schools within the GNSA that are fearful of the long term ability to generate the revenue needed to operate the schools and educate Nebraska students. We feel that the sustainability of this bill is near impossible. When and if the revenue in the state dips again, it is not guaranteed that the equalization portion of the TEEOSA formula will be preserved to meet the needs of the state's majority of students. There is a nervousness among many schools that this increased state aid, in LB 974, will abruptly disappear, leaving them without a way to make up for that lost revenue as what happened with (American Recovery and Reinvestment Act) ARRA funds. If our state repeats its mistakes by reducing funding to education, it would again put pressure on our local school boards to make up for the lost revenue by drastically cutting programs or if able raise their levy's. By not allowing equalized districts to become whole with 100% vs 75% replacement of loss of funds, we cannot support this bill.

In conclusion, *Columbus Public Schools as a member of GNSA and STANCE is in opposition of LB 974* but appreciates the revenue committee for their continued efforts in understanding the problems in regards to property taxes and school funding in our state.

Sincerely,



Troy Loeffelholz, Ed.D  
Superintendent  
Columbus Public Schools