

ESUCC

Legislative Committee Meeting

Wednesday, January 4, 2017, 3:00 PM

Coop Committee Meeting Educational Service Unit No. 3 6949 So. 110th Street LaVista, NE

68128 Video Conference Sites: ESU 3 Host DL Sites: ESU3, 4, 6, 10, 18, 6949 South 110th

Street, LaVista, NE 68128

Attendance Taken at 3:00 PM.

Beatty ESU 16:	Present
Bell ESU 10:	Present
Jeff West (NE):	Present
Dr Kraig Lofquist:	Present
Liz Standish:	Present
Dan Schnoes (NE) (ESU 03):	Present
Paul Calvert (ESU 15):	Present

1. Call to Order

2. Roll Call

3. Agenda Item

3.1. ESUCC Legislative Action Plan

3.2. Tax Reform Meeting

3.3. Legislative Planning Update

3.3.1. Legislative Goals

3.3.1.1. Governor Meeting

3.3.1.2. Marketing - Individual Visits

3.3.1.3. Marketing - Whole Group Presentation, February 23, 2017

3.3.1.3.1. ESUCC Data

3.3.1.4. ESUCC/ESU Promotional Flyer

4. Next Meetings Agenda Items

5. Executive Session

6. Adjournment

{{Name: Agenda Item Name}}

{{Discussion: Agenda Item Discussion}}

{{Comments: Agenda Item Comments}}

{{Actions: Agenda Item Actions}}

Education Community Meeting AGENDA

December 20, 2016, 8:30-11:30

NCSA, Lincoln

Agenda:

8:30 Legislative updates and Intel

- Education chair
- 4% reduction in current FY

9:00 Report by NDE on federal agenda and ESSA

9:30 Updates on the Nebraska Education Collaboration

10:00 Break

10:15 Discuss legislative agenda

- TEEOSA- release valve
- School finance review commission
- Early childhood
- Career education
- Expanded learning
- Nutrition
- other

11:30 Adjourn

Next meeting: January 9th, 1:30-3:30

Topline messages:

TEEOSA isn't working for most school districts, and it certainly won't work for the future we imagine

We have a revenue problem

Local control (school boards are elected, just like senators)

Goals:

Serve all kids in the state

Principles:

Access to resources

Equity

Investments in education can lead to decreased costs in other parts of government

Stability is important

Short term:

Defend funding in current biennium (instead of taking 4% reduction)

Release valve. Raise \$1.05: DoE to model a few scenarios

Tax more services, foundation outside of the formula or special ed or some mechanism that helps all districts (not just equalized)

Long term:

School finance review commission (as a bill or not, depending on committee leadership)

Homework:

Tangible examples of cuts that will happen

FORESIGHT LAW + POLICY

1030 15TH STREET, NW, SUITE 1050 WEST
WASHINGTON, D.C. 20005

Presidential and Congressional Transition: Education Policy Outlook

**Nebraska Department of Education | December 20, 2016
Lincoln, Nebraska**

Presentation Overview

2017 Education Policy Outlook

- Presidential Transition Team and Process
- Insights from the Campaign's Ed Policies
- U.S. Department of Education Priorities
- 115th Congress Leadership and Priorities
- Discussion/Q&A

Transition Education Policy Leadership

The transition's official/unofficial team has close ties to President G.W. Bush and Jeb Bush, but also key Members of Congress.

- **James Manning** – (Fmr. A.S. Postsecondary Ed – Spellings)
 - **William Evers** – (Fmr. A.S. Planning, Policy and Evaluation – Spellings)
 - **Townsend McNitt** – (Deputy CoS at U.S. ED - Spellings)
 - **Rob Goad** – (L.D. Rep. Luke Messer (IN))
-
- **Outside Experts (e.g. Terrell Halaska** – (Fmr. A.S. Leg Affairs – Spellings)
 - **HELP and Education and the Workforce Committee Staffers**

U.S. Department of Education Leadership

Although the president's selection for Secretary of Education is consequential, observers should also pay close attention to the Department of Education's broader leadership.

- **Betsy DeVos** –Secretary of Education Nominee (American Federal for Children/Foundation for Excellence in Education)
- ? – Deputy Secretary
- ? – Assistance Secretary for Elementary and Secondary Education
- ? – Under Secretary (Higher Education)
- ? - Assistant Secretary for Planning, Evaluation and Policy
- ? – Assistant Secretary for Post-Secondary Education

Trump Campaign Education Policies

The president-elect's campaign avoided detailed policy, but did focus on three education ideas during the general election:

- Establishing a new \$20 billion federal investment in **school choice**, connected to a \$100 billion investment by states;
- Capping periodic **student loan repayments** at 12.5 percent of income, along with granting loan forgiveness after 15 years; and
- Creating a new **childcare and child enhancement tax credit** for low income families. (Childcare tax credits were cited again this week by the president-elect's Treasury Secretary nominee.)

New Administration Education Priorities?

DeVos's nomination signals a strong administration commitment to school choice, but the Administration must also develop plans and make decisions about a much broader agenda.

- **What will “School Choice” mean to the Administration and how will it be funded?**
 - A primary focus on vouchers, charters, or both?
 - Would Congress approve significant new funding for choice? If so, how would the spending align with the Budget Control Act's spending caps and ESSA's Charter Schools program?
- **Every Student Succeeds Act:** Significant ESSA rulemaking will be completed this year, but the new team must consider possible revisions to regulations and assume responsibility for reviewing and approving state consolidated plans due in April and September.
- **Higher Education Act:** Senate/House ed committees will prioritize HEA. Will the Administration have higher education priorities? Re-privatizing the student loan system? Terminate the new teacher prep regulations?
- **Childcare and Enhancement:** Early learning has bipartisan support. Will the new administration follow through on the issue? Possibly leveraging ESSA's Charter School program's early learning provisions?

Congressional Outlook

- DeVos nomination hearing tentatively scheduled for January 12.
- Education policy is not likely to be an early focus of Congress's work, given other priorities including ACA, infrastructure, trade, Supreme Court nomination and other issues.
- Ed committees will be busy. Updates to several major federal laws are behind schedule e.g., HEA, CTE, ESRA, Head Start, and IDEA.
- Senate Republicans still do not have 60-vote threshold required to drive legislation, or presidential nominees, through the legislative body without at least some Democratic support. Will the majority use the budget reconciliation process to address education policy?
- Will divisions within the Republican caucus, particularly over spending, pose significant challenges to the majority's work?

Congressional Education Policy Leadership

The top leadership of the House and Senate education authorizing committees will not change in the 115th Congress, except for Chairman Kline's retirement.

Senate Help Committee Leadership

- Senator Alexander (R-TN)
- Senator Patty Murray (D-WA)

House Education and the Workforce Committee

- Representative Virginia Foxx (R-NC)
- Representative Bobby Scott (D-VA)

Education Committees Priorities

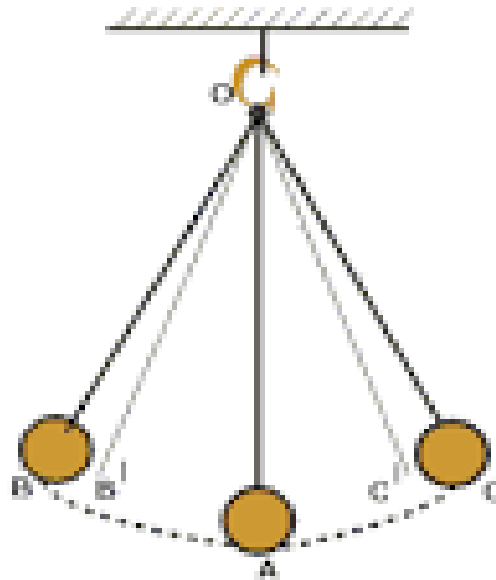
Chairman Alexander and Chairwoman Foxx have expressed a strong desire to focus on reauthorization of the Higher Education Act. Other issues on the committees' agendas include:

- Perkins Career and Technical Education Act
- ESSA Implementation Oversight
- Administration Priorities
- Education Sciences Reform Act (IES/NCES/SLDS)
- Student Data Privacy (FERPA w/higher ed implications or expansion of FTC authority?)
- U.S. Ed Nominee Hearings (Senate)

Reaction to the Election?

The Republican Congress may behave in an unorthodox way in 2017 (e.g. with regard to increased spending), but we expect the pendulum to swing back (eventually) to a more traditional conservative role.

**Reaction to
Populist
Outcry in 2017
and Beyond?**



**Eventual Reset
and \$\$
“Hangover”?**

Q & A

New Investments Breakout Session:

Purpose: To brainstorm policy proposals that represent investments in K-12 education that the education community can collectively support – to “fill the pipeline” with proactive policy ideas.

What are new investments that will improve public education in Nebraska? (5 minutes)

Ideas to consider:

- early childhood
- expanded learning opportunities (“full service community schools”)
- school-to-career
- special education
- alignment between PK-12 system and post-secondary education
- whole child (physical, mental, and behavioral health)
- Grow Nebraska – “business, communities, and agencies aligning efforts”
- Job opportunities for teens and young adults
- Teacher shortages – matching the need
- DHHS-involved students
- Poverty funding

Early Childhood

- 1.0 in TEEOSA formula
- Transportation funding for 4-year-olds
- ½ cent levy authority for ESUs for ECE

Expanded Learning Opportunities

- Expand existing grant opportunities – currently, \$2M in grant programs is not enough
- Focus on school-to-career, skills & trades

Special Education

- Increase reimbursement percentage to 80%
- Use “impact aid” concept
- Take out of formula

Other Ideas:

- Use of lottery funds
- Taking poverty, ECE, & Special ed out of TEEOSA formula
- Transparency regarding educational outcomes of foster youth
- Utilize business incentive programs to require collaboration with local school districts – business that receive credits must contribute

Participants:

Stephen Grizzle, Renee Hyde, Steve Joel, Craig Christensen, Linda Richards, Vern Fisher, Brian Halstead, David Ludwig, Tiffany Seibert Joekel, Micaela LaRose

Education Community Meeting AGENDA

October 31, 2016, 10:30-12:30

NCSA, Lincoln

Agenda:

10:30 Threats and opportunities- Commissioner Blomstedt & OpenSky Policy Ins.

- Overview, Commissioner Blomstedt (10 min)
- Budget Update, OpenSky (5 min)
- NDE Budget Proposal, Commissioner Blomstedt (20 min)
- Education Collaboration initiative and other “pipeline” investments, OpenSky (20 min)
- School finance strategies, Commissioner Blomstedt (15 min)

11:40 Communications

- Review and discuss education toolkit

12:00 Outreach & Advocacy

- Engaging local champions
- Taking your story to the media/legislature

Public education is an asset, not the enemy

Nebraska's outstanding public schools are the envy of many states. They are the foundation of opportunity in our state and they help our communities thrive by powering our strong workforce and providing our children with the skills they need to prosper. As Nebraska lawmakers struggle with a budget shortfall and pressure to lower property taxes, some are portraying our schools as the cause of our state's property tax issues and other budget challenges. This idea is misguided and places blame in exactly the wrong place. Policy choices that would limit school spending and/or cut funding for schools ultimately will harm our state and its economy.

Our public school system is producing tremendous outcomes for our state and for our local communities.

- Nebraska's four-year graduation rate is 88.9 percent; one of the highest in the nation.
- Nebraska students consistently score above average on college entrance tests.
- 76 percent of Nebraska high school graduates go to college.
- (Share success stories from your own district)

Education investments are economic development.

- Increased investment in education increases the quality of the workforce, which makes the state more attractive to businesses as access to a quality workforce is one of the top things businesses look for when they choose a location.
- Increased investment in education can help spark entrepreneurship and instill in our children the skills they need to prosper in the future.
- Our state's outstanding public schools also are a powerful recruiting tool as employees look to move to places where their children can attend excellent schools.
- Improving the quality of our workforce to create more high-wage, high-skilled jobs has been recommended by experts as the best way to grow Nebraska's economy. Education is the best tool we have for improving our workforce.

Now is the time to increase – not cut -- our investment in education.

- With statewide enrollment growing and our world rapidly changing, our schools need more – not less -- support to prepare our students to succeed.
- Research shows increased investments in education have high "bang for the buck" in terms of economic development. For example,
 - Increased state investment in quality early childhood education offers 6 to 1 returns on dollars invested;
 - Investments in mandatory summer school for struggling students offers 13 to 1 ROI as do investments in career academies; and
 - Investment in targeted workforce training offers 6 to 1 ROI.
- Shortchanging our children now is shortchanges our state's future workforce and economy. Conversely, investing in our children now sets our state up for a stronger future.

School spending is not out of line in Nebraska.

- Across the state, total school spending has grown at an average rate of 4.17 percent per year (FY95-FY15). Average state budget growth in the same period was 4.5 percent.
- In 2015, the Legislative Fiscal Office found overall school spending growth over the past decade was the lowest in 30 years.
- School districts are already subject to two mechanisms of spending control -- limits to annual budget growth and a property tax levy cap.
- School districts and their boards work hard to make sure tax dollars are used in the best possible ways.
- Forcing further cuts to school spending will limit the ability of local communities to determine what is best for their students and will harm our schools and our children at a time when our educational needs are growing.

Schools already are making difficult cuts to balance their budgets.

- Busing has been reduced in some districts, making it harder for children to get to school and for parents to balance their home and work lives.
- Alternative school programs that provide vital assistance to at-risk children have been cut.
- Foreign language programs that help our children succeed in the global economy have been eliminated.
- In many classrooms, students use badly-outdated text books, which leaves them less prepared for success in and out of the classroom.
- In one district, 20 teachers were cut over the same time period that enrollment grew by 1,200 students. This leads to larger class sizes, which research shows is detrimental to learning.
- Building repair and maintenance are being deferred, leading to further issues such as broken boilers and other infrastructure failures. This jeopardizes student safety and leads to repairs that are more costly than properly maintaining the facilities.
- Programs such as those for high-achieving students could be in jeopardy if more funding is cut, limiting opportunities for our children to reach their full potential.
- *(Share stories from your own districts about cuts that have already been made.)*

Low levels of state funding for education is at the heart of Nebraska's property tax issues, not school spending. (See appendix A)

- Nebraska ranks 49th in the country in the percentage of K-12 funding that comes from the state.
- Nebraska has long struggled with high reliance on property taxes to fund K-12 schools due to a low level of state funding. Every major study of Nebraska taxes since 1967 has noted this.
- Increasing state aid to education to help lower property taxes was the top recommendation of the 2013 Tax Modernization Committee.
- Further cuts to state funding for schools will either cause property taxes to increase or the quality of education we offer our children to decrease.

What would a reduction to state school funding mean for our school districts?

- Nebraska Department of Education's FY2018-FY2019 budget proposal requests an increase in state aid and Special Education funding.
 - The department requested a 5.2 percent -- or \$49.7 million --TEEOSA increase in FY18 and 6.1 percent -- or \$61 million -- increase in FY19.
 - The department requested 10 percent increases in Special Education funding for each year of the biennium, which would be \$22.2 million in FY18 and \$24.4 million in FY19.
- However, if the current state budget shortfall is closed with across-the-board budget cuts, state aid will be less in FY 18-19 than it was in FY 17.
- There also is concern that state aid could take the brunt of state budget cuts, which would lead to even deeper cuts to K-12 funding.
- (Share what a cut to state school funding would mean to your district.)

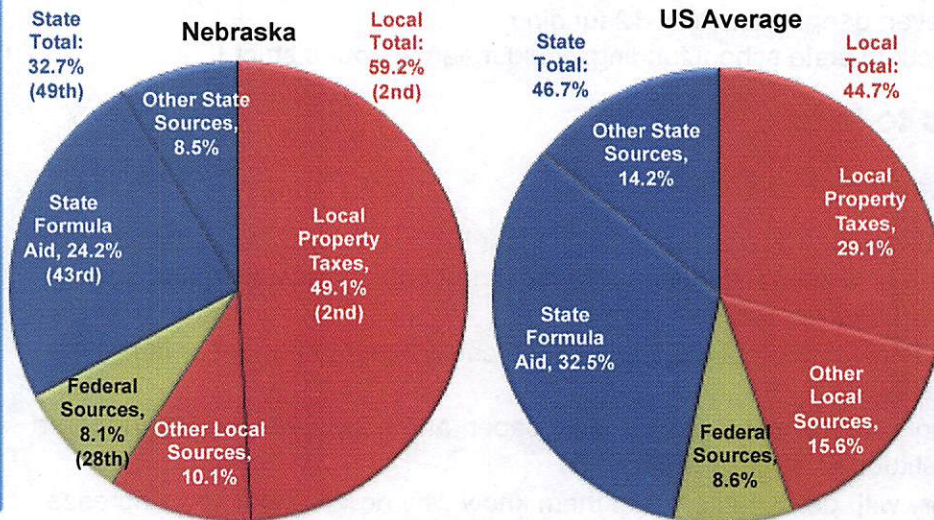
What you can do to help.

You can make a difference and here's how:

- With a tough budget year ahead, state funding for K-12 is likely to be on the chopping block. Determine how school funding cuts would hurt your organization and your constituents/members/supporters.
- Find and develop a story about the impact. This could be an individual or family or community-level story.
- Share your story with the editor of your local paper, and bring others with you (board members, constituents). **(See Appendix B)**
- Share your story with policymakers. Let them know why now is the time to increase support for our public schools, not take it away. Ask your constituents and school board members to engage with policymakers as well.
- Inform and mobilize your grassroots constituents/members/supporters by sharing stories and statistics through social media, newsletters, etc. **(See Appendix C)**
- Ask school board members and constituents to reach the media through letters to editors, op-eds, and other means. **(See Appendices D and E)**
- Create an echo chamber and share other stories from throughout the education community with your leaders and constituents.
- When appropriate, use online petitions and other measures to garner support for school funding.
- Talk to your neighbors, relatives and friends to help them understand the importance of public education and the need to properly fund our schools.

Appendix A – Nebraska v. National Average in Education Funding

How NE Compares to the National Average in Education Funding



Source: US Census Bureau, 2014 Annual Survey of School System Finances



Clear thinking for a stronger Nebraska

Appendix B – Example OP-ED from school officials

(Vernon Fisher and John Skretta: School funding should be equitable (Item appeared in the Omaha World-Herald on July 18, 2016)

Fisher is superintendent of South Sioux City Community Schools. Skretta is superintendent of Norris Public Schools.

Let's change the rhetoric around school finance.

At this moment, your local school superintendent and school board are hard at work preparing budgets for the next school year. They are doing so without a unified, statewide vision for public education, in an environment of fiscal uncertainty and under the cloud of a divided political climate.

Nebraskans must exert the will and display the courage to change our rhetoric and participate in the challenging process of collaborating on a vision for public education and providing a more equitable tax structure; neither can be accomplished in isolation.

Oct. 28, 2016

This will not be an easy task, nor will any meaningful change occur without fully understanding the complexities behind tax relief and school spending.

As two Nebraska school superintendents, we will use our districts to illustrate the complexities of this task.

Norris and South Sioux City are growing districts in different locations and with different demographics. Both have experienced increasing enrollments combined with limited state resources. How our schools are funded looks different and illustrates the complexity of addressing tax relief in Nebraska.

The Norris story

Norris is a school district that receives fewer resources annually from the state, becoming more and more dependent on revenue generated through property taxes to support quality education for its students.

Norris' certified state aid for 2016-17, \$4.86 million, is the lowest level of funding our district has received in more than a decade. It is down more than 10 percent from the previous year, which was an 8 percent cut from the \$5.9 million received in 2014-15.

A decade ago, when our state aid was \$4.45 million, Norris was a school district of 1,772 students, and costs were considerably lower. Norris' enrollment last year was 2,241, a 2.89 percent enrollment increase from the year before.

Norris is now in the distressing plight of having almost three-fourths of its funding reliant on local property taxes. This phenomenon is playing out in many districts across our state, which is why Nebraska has the unenviable distinction of being top in the nation in the use of local revenue as a percentage of the total needed to fund K-12 education.

The reduction in state aid to Norris has occurred at a time of perennial growth for the district. Each year brings new enrollment highs, as residential development increases in southern Lancaster County in the form of acreages and housing development in rapidly growing Hickman, one of a number of small communities making up the Norris system.

The disproportionate burden of property taxes has fallen on the shoulders of our farmers. While the total number of agricultural acres has declined in our district because of increasing residential development, the value of this precious commodity has skyrocketed.

Lancaster County data from the Nebraska Department of Revenue notes that the cumulative percentage increase in real ag land valuations since 2011 is a mind-blowing 106 percent. Ironically, however, these increases are occurring in a context of three straight years of declining farm income because of low commodities prices, with debt-to-equity ratios for farms increasing.

While valuations have continued to rise, figures from the U.S. Department of Agriculture show that the price of corn has fallen 87 percent during this same five-year span.

In short, the bank ledger is not penciling out for Nebraska farmers, the backbone of our state's economy. While assessed values based on sales of comparable parcels have resulted in significant valuation increases, if the production value of the land does not equate to these increases, it puts our farmers in a negative revenue cycle, as it has for the last several years.

The South Sioux story

South Sioux City is considered the poster child for "equalization aid" because of our unusual situation of existing needs vs. resources.

South Sioux City is a community of 14,000 and is expected to realize steady population growth in the foreseeable future. The school district has seen consistent growth in student enrollment, with a current population of 3,900. More than 12 percent of our South Sioux students (nearly double the state average) are English Language Learners, whose native language is not English. These students require additional resources to educate so they become proficient users of the English language.

Couple that with the fact the district hovers around the 75 percent mark in terms of students identified for free and reduced price lunch, and it is quite apparent that more students are enrolling from families who live in poverty.

South Sioux City is a property-poor district, as reflected in the total valuation per student. According to the Nebraska Department of Revenue, South Sioux City Community Schools has the fifth-lowest total valuation per pupil in Nebraska.

The district is heavily dependent on resources from the state, with approximately 60 percent of its budget supported by state aid. However, such aid has remained relatively flat over the past six years.

In the 2010-11 school year, the district received \$26.17 million in state aid. This past school year, the district received \$26.58 million.

In terms of per-pupil cost, this was only \$17.35 more each year per student. To put this in real-world perspective, this increase in revenue does not cover the cost of purchasing a textbook, let alone other valuable resources for students.

From a property tax perspective, 20 percent of the district's budget is composed of revenue generated through property taxes, and approximately 5 percent of the property taxes come from agricultural land. The school district's valuation growth has slowed over the past four years, moving from increases of 4.8 percent to 1.75 percent this last year.

These slight valuation gains have resulted in revenue increases that do not cover costs associated with career and technical education or technology.

Even when adding the two revenue sources together (state aid and local property tax revenue), our school district struggles to keep up with increases in costs required to provide quality programs.

Investing in education

If the focus of our elected officials manifests itself mostly in tax-cut proposals and restrictions on spending that rob school boards of local control, this is a sad sign for the future of education in Nebraska.

We urge all our elected state officials to join the ranks of public education advocates who are working hard to marshal the forces and gather the resources needed in order to:

- » Make universal preschool a reality.
- » Ensure every child has technological literacy.
- » Commit to college- and career-readiness.

As schools transition from budget planning to budget adoption, take an interest in your local school and its governing board.

Understand that, while alluring, conversations about tax cuts must be seen in the broader context of the value of public education and prosperity of future generations.

Public education in Nebraska continues to be an excellent investment in our children, and therefore, in our future.

Appendix C – Constituent Contact

From the Desk of Mike Lucas - [School Funding - Beating a Dead Horse](#)

(Posted on Sept. 1, 2016)

The 2015-16 fiscal year for York Public Schools came to an end on August 31st. York Public Schools now has even more data to show that our over-reliance on local property taxes isn't due to "local spending" like some state-level officials want us to believe, it is due to the ineffective way our schools are funded.

- We spent \$22,968 LESS than we did the year before
 - o This comes to about \$11,200 per student, which is well below the statewide average of cost per pupil, a measure that some use to determine "efficiency" of school spending
- Our average annual spending increase since 2008 has been only 1.5%
 - o We've made tough cuts and now have 5.25 fewer teachers today than we did 10 years ago
 - ♣ We also have 18 fewer support staff members than we did 10 years ago
- Our enrollment has grown by more than 12% in that same time span
- HERE'S THE REAL KICKER, HOWEVER
 - o Our total revenue for 2015-16 was \$80,467 LESS than the year before
 - ♣ Despite our local property taxes INCREASING by \$999,780
 - Let that sink in for a minute.....\$999,780 more in local property taxes than the year before yet

Oct. 28, 2016

our total revenue goes down....

- You see, local property taxes aren't lining our school district pockets with cash – they're simply replacing state and federal revenues, often at a deficit

As we look ahead to the 2016-17 fiscal year, the picture gets even worse but we continue to hear state-level officials say that the state doesn't levy property taxes and "the problem" lies with locally elected boards that spend too much. Locally elected officials get thrown under the bus when this is a statewide issue and the school funding formula is underfunded and manipulated to gobble up local property taxes.

- Our state aid DECREASES another \$1.25 Million
 - o We are up against the maximum levy lid so we will request \$300,000 more in local property taxes from you
- However, despite you paying more local property taxes again, our total revenue is projected to DECREASE by another \$600,000
- We plan to increase our spending by about \$40,000 (.002%) and have a decent chance of not increasing at all

We're working hard on this issue and have reached out to many farmers and large landowners and will continue to do so. We want to work hand-in-hand with our agriculture community as we work for true property tax relief. We're trying to bring some possible solutions to York County this fall/winter for discussion. Thanks for your support.

Mike Lucas
York Public Schools

Appendix D – Example OP-ED from school board member

(The following piece was written by Jim Paloucek, a North Platte attorney and former president of the North Platte Public School District school board.)

Don't throw funding out with the bathwater (Appeared in The North Platte Telegraph on Wednesday, August 19, 2015)

"Don't throw the baby out with the bathwater" echoes as our local and state representatives confront the drumbeat to address ever-increasing property taxes.

The reverberations are particularly loud when suggestions turn to reducing financial support of local school districts which, to use North Platte's public schools for example, levy approximately half of the property taxes paid by real estate owners. This summer and fall, the Unicameral's Education (on which our Senator Groene serves) and Revenue Committees are studying

Oct. 28, 2016

Nebraska's funding of education ostensibly with an eye toward shifting more of the load away from property taxes.

Educational funding in Nebraska is, at best, a convoluted mess that involves uncountable, ever-changing parts which have a variety of ways of fitting together, or not. There is a formula in state statute, passed by the Unicameral, which determines the amount of money local school districts receive from the state to supplement local property tax revenue. The formula is akin to a jigsaw puzzle for which the pieces are always in motion and are constantly changing shapes. To further complicate things, the state government has a penchant for piling costly mandates on local schools without funding the expense of those directives. And then there are the state's collective bargaining laws, also statutes passed by our Unicameral, which basically dictate to school districts the compensation packages that must be provided to teachers. The end product is a system of revenues and expenses like a Rubik's Cube that has a hundred squares on each side with the colors changing as the rows are rotated.

That is why it is scary when it is even hinted that there is some simple fix to the question of funding education and the burden it imposes on taxpayers. There isn't. If the obligation of educating our children is to be met, any relief on the funding front will require careful, collaborative and hard work and compromises across numerous fronts. Any assertion that school boards can very simply address the property tax problem by cutting their levies may be a politically popular rally cry, but following that contention through just part of the education funding maze suggests something else.

Using North Platte's public schools as an example, it has been suggested that the school board could reduce the operating and building fund levies from the proposed budget amount of \$1.05 to 95 cents. Ninety-five cents is the minimum levy required by state law to avoid drastic reduction of the \$11.5 million the district is to receive from the state under the state's formula. But if the levy goes below \$1.00 and down to 95 cents, the district would lose approximately \$270,000 from the formula's "averaging adjustment." And NPPSD Business Manager Stuart Simpson estimates that the reduction of the levy to 95 cents would reduce the school's property tax receipts by approximately \$2 million.

So what would \$2.27 million in less revenue do to North Platte's public schools? One thing to remember is that about 85 percent of the dollars the district spends is payroll — employees' salaries and benefits. Reducing \$2.27 million in spending would require cutting payroll. Another thing to recall is that the state's collective bargaining laws essentially control what the district must pay its individual teachers in salary and benefits, meaning that payroll can't be cut by reducing teachers' compensation packages. To cut \$2.27 million in spending, the reality is that teachers' jobs would have to be cut. The average per teacher cost at NPPSD is approximately \$60,000. In real-life, practical terms, reducing the levy to 95 cent would likely eliminate more than 30 teaching positions from a staff of around 300 teachers. That would mean larger class sizes by about 10 percent, eliminating programs, and probably closing at least one elementary building. Few would suggest that such results would serve students well.

There are no quick fixes that will produce property tax relief when it comes to current Nebraska educational funding laws. Cutting dollars to schools has concrete ramifications to districts and their ability to deliver for their students and communities. Let's be careful — and thoughtful.

Read also Paloucek's piece, titled "Property tax relief not so easy," which appeared in The North Platte Telegraph on March 16, 2016 at <http://bit.ly/Paloucek>.

Oct. 28, 2016

Appendix E – Sample letter to the editor

School spending in Nebraska is not out of control nor is it the cause of our state's property tax issues. Low state support for K-12 education means we need to rely more on property taxes to support our schools and increasing state aid to schools has repeatedly been recommended as the best way to lower property taxes in Nebraska. Furthermore, increased investment in our schools is one of the most powerful economic development choices our state leaders can make as it helps ensure our children have the opportunity to succeed and prosper in their jobs, their homes and their communities. Cutting school spending fails to get to the heart of the property tax issue and will lead to damaging cuts to our outstanding schools, which are essential to helping our state and our communities thrive.

ESUCC: Government Relations Process
David M. Ludwig, ESUCC Executive Director
November 2016

A meeting was scheduled with Curt and Jason Bromm on Wednesday, November 9 at 3:00 p.m. The purpose of the meeting was to discuss an overview of the upcoming legislative session as well as marketing strategy for the ESU Legislative Day scheduled for Thursday, February 23, 2017.

Legislative Overview

- 24 newly elected Senators
- 12 New Senators
- 5 Incumbents not re-elected
 - Senator Schnoor: not re-elected
 - Senator Sullivan: term limited
- Number of Senators
 - 32 Republicans (35 previously)
 - 15 Democrats (12 previously)
 - 1 Independent
 - 1 Libertarian
- Legislative Issues
 - Budget Shortfall
 - Property Tax Relief
 - Corrections System
 - NDE Biennial Budget
 - Charter Schools (?)
- State Revenue
 - May see a greater decline in revenue
 - Economic Forecast Board meets in February and April

ESUCC Marketing

- Governor:
 - Scheduled meeting
 - Develop a detailed agenda with talking points
 - Determine the audience for the meeting
- Individual Senators
 - 12 New Senators
 - Schedule a meeting the first 2 weeks of the session
 - Tell our story regarding purpose and value
 - ESU Meetings at the State Capitol
 - ESU's 13, 15, 16 and 17 January 6, 2016
 - Coordinate with the January ESUCC Meeting to reduce travel
 - Schedule other ESU visits when available
 - ESU Legislative Day (New name needed)
 - Thursday, February 23, 2017
 - 10:00 a.m.-1:30 p.m.
 - State Capitol Room 1023
 - Invited Guests
 - State Senators
 - Legislative Aides
 - Invitation to Senators from each ESU
 - Meal/snacks/finger foods provided

- A list of senators and staff will be by the front door to greet and connect with the appropriate ESU
- Purpose: support for all ESU's
- Topics for presentation:
 - State Statute regarding the origin of ESU's
 - 2003 ESU Study
 - Number of devices using Internet in each ESU
 - i.e.-ESU 3 equivalent to the size of Memorial Stadium on Game Day
 - Technology Innovations
 - Security of Data
 - Have readily available a stakeholder to present from a Zoom connection
 - Video Clip: "A Day in the Life of ESU's"
 - Pictures taken at a specific time within the state and organized into a 3-5 minute video
 - Picture of each ESU
 - K-12 Federation
 - Legislative Bills and the position for ESUCC
- Photographer Available for the day
- Establish a saying or brand
 - (i.e.-We support Public Education)