LB 408 (AM371)

The committee amendments allow two ways to exceed the cap: 1) by vote of the governing body with certain restrictions; or 2) by resolution of the governing body and a subsequent vote of the political subdivision's electorate. The limit applies to property tax requests set in 2022 through 2027. Property tax requests set in 2028 and thereafter will not be subject to the cap.

The first method to exceed the cap requires a majority vote of the governing body, which may exceed the cap no more than two consecutive years. The property tax request would then be reduced in subsequent years to ensure the request's increase doesn't exceed 9% over a three year period.

The three-year period would be measured using the year the political subdivision exceeds the cap as the first year of the period. If the political subdivision votes to exceed the limit for two consecutive years, the three-year period would be "measured twice using each of the two consecutive years as the first year of the applicable three-year period."

The second method to exceed the cap is by resolution of the governing body followed by a vote of the electorate of the political subdivision at a primary, general or special election. The resolution approved must include the amount that would be requested in excess of the cap.

Exceptions

The cap wouldn't apply to that portion of a subdivision's property tax request that's needed to pay the principal and interest on approved bonds. Nor would it apply to that portion of a subdivision's property tax request derived from the "real growth value" for the subdivision.

The measure defines "real growth value" as the increase in real property valuation due to (a) improvements to real property as a result of new construction and additions to existing buildings, (b) any other improvements to real property that increase the value of the property, and (c) annexation of property by the political subdivision.

Unused Budget Authority

The committee amendments provide that a political subdivision may choose not to increase its property tax request by the full amount allowed. In such cases, the political subdivision may carry forward one-half of the unused request authority to future years as carryover request authority. The carryover request authority may then be used in later years to increase the political subdivision's property tax request above the cap.

Budget Hearing

As advanced, the measure would amend the Nebraska Budget Act and require a political subdivision, during its budget hearing, to include information demonstrating that the political subdivision is in compliance with the Property Tax Request Act.

LB 408 Talking Points

Many localities would see their total revenue growth fall well below 3% per year.

- The impact of the cap on political subdivisions will differ depending on their mix of revenue streams.
- Community colleges, for example, rely on property taxes, state aid and tuition. So if property taxes are capped at 3% and state aid is flat, they would be forced to raise tuition to even get to 2% or 3% spending growth.
- Take Millard Public Schools as another example. From FY17 to FY18, they experienced a 12% increase in property tax revenue, a 15.5% decrease in state aid, and a 1.5% decrease in total revenue.
- With LB 408 in place, however, Millard would have only been able to increase property taxes by 3%, but they still would have lost 15.5% in state aid for a total revenue decrease of 5%.
- Any city already fully utilizing local option sales taxes could end up in a situation where their revenue is going to be squeezed, possibly well below 3% growth.

A 3% cap on property tax revenue growth would undermine local control by hindering the authority of locally elected officials to make fiscal decisions.[1]

- The proposals would cap local governments property tax revenue over the prior year at 3%. It would apply to the following local political subdivisions: schools, cities, counties, natural resource districts (NRDs), villages, learning communities, sanitary and improvement districts (SIDs), educational service units (ESUs) and community colleges.
- Local officials are held accountable by their constituents and often have a better understanding of local needs and desires than do state legislators (excepting, perhaps, their own).
- LB 408 would limit this local control and hinder their ability to respond to things like natural disasters and replace needed equipment, like a school bus for a school district, for example.

LB 408 would create a disconnect for school districts because the state aid formula calculates resources based on valuation while the proposal caps property taxes levied, meaning some schools with growing property values will lose state aid but not be able to make it up by accessing the increased valuation.

- The state aid funding formula uses a district's valuation to calculate its resources. Typically, as resources increase, state aid decreases.
- Because LB 408 would cap a district's property tax request at no more than 103% over the prior year, districts experiencing a spike in valuation for any reason would not be able to access all of the growth.
- At the same time, the state aid formula would still recognize the increased valuation in their resources and decrease the district's state aid commensurately. This creates the scenario where a district could actually end up with negative revenue growth like we see in the Millard example.

There's no guarantee that any subdivision will be able to make up for any revenue lost as a result of LB 408 and so those that can may turn to other more regressive local taxes.

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[1] *See* Ariel Jurow Kleiman, "Tax Limits and the Future of Local Democracy," 133 Harv. L. Rev. 1884, Feb. 6, 2019 (revised May 14, 2020), accessed at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3327952 on March 8, 2021.

- Some towns and cities may recover lost revenues by increasing local option sales taxes, occupational licensing fees or other fees and fines, which all fall disproportionately on those least able to afford to pay more.
- These options may help avoid service cuts but would shift the tax load increasingly on to low- and middle-income Nebraskans.

Not only would there be disparate outcomes for different political subdivisions, there would be a disparate application of LB 408, as well, especially for schools, which don't have other sources of revenue to tap to replace any lost property tax revenue.

- Cities, for example, could raise any lost property tax revenue from LB 408 by levying or increasing local option sales taxes (if able), occupation licensing and other fees and fines. Schools, on the other hand, do not have any ability to raise revenue except for property taxes and so they would be looking at service cuts sooner than most cities, for example. Counties are similarly limited, as their main sources of revenue are property and inheritance taxes.

LB 408 would be applied uniformly to political subdivisions when their circumstances -- like population growth -- may be vastly different.

- Political subdivisions in Nebraska are different -- from villages to metropolitan class cities and railroad transportation safety districts to educational service units. All have different scopes, sizes and constituent needs.
- A 'one size fits all' blanket 3% cap on political subdivisions without regard to their revenue makeup, ability to raise revenue or even the services they provide would create disparate outcomes among them.

The proposal would likely force local subdivisions to levy at 3% property tax growth every year if they have the ability to do so, even if they otherwise didn't need the bump in revenue.

- Local governments' revenue needs can be volatile and vary greatly from year to year, depending on local needs.
- LB 408 would likely result in local governments levying the full 3% in allowed growth every year even if they don't have an immediate need for the funds in order to build up reserves in case a big expense is needed.
- As a result, property tax rates may never decrease.
- For example, York County from FY13 to FY18 is a good example of how a local government may levy different amounts each year based on its needs, as evidenced by the fluctuating property tax revenues year over year. Under LB 408, however, the county wouldn't have as much flexibility in adapting their levy -- and thus their revenue collection -- to their needs.

Year	Property Tax (Actual)[2]	% Change	Property Tax (LB 408)	% Change
FY13	5,634,134	-	5,634,134	-
FY14	6,795,698	20.6%	5,803,158	3.0%
FY15	5,733,835	-15.6%	5,977,253	3.0%
FY16	5,333,196	-7.0%	6,156,570	3.0%
FY17	5,933,965	11.3%	6,341,267	3.0%
FY18	6,482,197	9.2%	6,531,267	3.0%

- The bill would therefore limit local decision making, likely causing property tax requests to essentially run on autopilot. Rather than allowing local officials to determine their revenue needs each year and increase or decrease their property tax asks accordingly, LB 408 would likely lead subdivisions to increase their property tax collections by 3% each year without consideration of local circumstances.

Political subdivisions are already subject to levy limits and spending caps.

- Every political subdivision, except school districts, is subject to a budget limitation called restricted funds which includes property tax, local option sales tax, motor vehicle tax, and state aid. They can increase their restricted fund budget from the previous year by a basic allowable growth rate of 2.5% plus valuation growth.
- Items excluded from the restricted fund limitation are capital improvements, retirement of bonded indebtedness, interlocal agreements, repairs to infrastructure damaged by a natural disaster, judgments and property tax refunds.
- In addition to the restricted fund limitation, political subdivisions are also subject to levy limitations.
- Schools are limited to the basic allowable growth rate of 2.5% and have a levy limit of $1.05.

The proposal would have wildly different effects on school districts: most would have lost revenue overall had this proposal been in place, while some would have gained revenue if they could increase property taxes by 3% every year.

- An analysis of 32 school districts from FY17 to FY18 highlighted these disparate results.
- Millard Public Schools, for example, from FY 17 to FY 18, saw property taxes increase by 12% and state aid decrease by 15.5%, for a total revenue decline of 1.5%.
- Had LB 408 been in place, however, Millard would have been capped at 3% property tax revenue growth but still had the 15.5% decrease in state aid, for a total revenue decline of 5%.
- Humboldt-Table Rock-Steinauer from FY 17 to FY 18 could have seen an increase in their overall receipts of 12.7% versus 5.3% (actual) under LB 408 if they had increased their property tax ask to 3%.

[2] Nebraska Auditor of Public Accounts, York County Annual Financial Statements, 2013-2018.

The disparate results for school districts continue, even when looking at their revenues under LB 408 over time.

- When looking at schools over a 5-year period, the results are just as disparate as the one-year analyses.
- Wakefield -- a small district in northeast Nebraska -- would have seen their total revenue growth reduced under LB 408 between FY 13 to FY 18 from 14.8% to negative 7.8%. Their actual property tax growth over that time was 62% and would have been held to just 15.9% under LB 408. Their state aid decreased by 62.3% and, presumably, would have done so under LB 408, too.
- Ainsworth -- a medium district in northern Nebraska -- would have seen their total revenue growth reduced under LB 408 between FY 13 to FY 18 from 17.6% to 5.2%. Their actual property tax revenue growth over that time was 35.5% and would have been held to just 15.9% under LB 408. Their state aid decreased by 91.2% over that time, as would likely have been the case under LB 408.
- Kearney -- a large district -- would have seen their total revenue growth reduced under LB 408 between FY 13 to FY 18 from 18.9% to 4.6%. Their actual property tax revenue growth over that time was 45.4% and would have been held to 15.9% under LB 408. Their state aid decreased by 36.4% and likely would have done so under LB 408.

Counties, municipalities, and NRDs would experience disparate outcomes under LB 408. Some could see revenue gains under the proposal while others would experience significant revenue losses.

- The effects on localities would be disparate with a uniform property tax revenue growth cap as proposed in LB 408. These political subdivisions have very different needs from one another, for example Douglas is Nebraska's most populous county while Sioux County only has 1,311 residents.[3]
- Douglas County would have seen their total revenue growth reduced under LB 408 between FY 13 to FY 18 from 16.6% to 14.0% and their property tax revenue growth would have been held to 15.9% from its actual 23.1% growth. Their other revenue growth -- all revenue except property tax -- would, presumably, have stayed the same under LB 408, at 12.9%.
- Waverly could have seen their total revenue growth *increased* under LB 408 between FY 13 to FY 18 from 17.1% to 19.3% and their property tax revenue growth could have grown to 15.9% from its actual 5.4% growth. Their other revenue growth -- all revenue except property tax -- would, presumably, have stayed the same under LB 408, at 20.3%.
- The Lower Elkhorn natural resource district (NRD) would have seen their total revenue growth reduced under LB 408 between FY 13 to FY 18 from 39.4% to 28.9% and their property tax revenue reduced to 15.9% from 28.1%. Their other revenue growth would likely have stayed the same under LB 408 as actual, at 10.4%.

Note: see attached tables for additional analyses of school districts, cities, counties, community colleges and NRDs.

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[3] US Census Bureau, Quick Facts, Sioux County, Nebraska, accessed at https://www.census.gov/quickfacts/siouxcountynebraska.

Levy limits may make it extremely difficult for local governments to recover from economic downturns.[4]

- Michigan's property tax limitations[5] allow taxable values to fall during recessions but then limits their growth during a subsequent economic recovery, making it nearly impossible for local revenues to recover even as the economy improves, straining local budgets.
- In 2014, 17 local governments and school districts in Michigan were experiencing severe fiscal distress, which a Michigan State University report attributed to the state's "particular mix of stringent limitations on local revenue and its relatively low level of financial assistance to cities, coupled with spending pressures stemming from spiking local service burdens and increased labor costs."
- From 2008 to 2014, Michigan cities (excluding Detroit) saw total spending drop 17% across all categories of services, including police and sheriff (13%), fire (14%), parks and recreation (27%) and health and human services (8%).
- New York has seen similar trends since its first property tax limitation[6] was implemented in 2011, with total spending by counties falling between 2011 and 2016, even as the economy improved. Education spending dropped 5%, social service spending dropped 8%, health services fell 21% and community services fell 25%.
- In a 2017 report, the New York State Comptroller wrote "New York's local governments continue to face significant constraints in revenue growth, making it difficult for them to maintain services while keeping pace with rising fixed costs, such as health care."
- Nebraska ranks lower than both states in state aid to local governments and nothing in the proposal requires that to change.

Property tax limits have led cities and counties in other states to rely more heavily on fees and fines to fund vital services, which are falling disproportionately hard on Black, Indiginous and People of Color (BIPOC) residents.[7]

- In New York, which has had property tax limits only since 2011, 62% of cities and 45% of counties have increased existing fees and 31% of cities and 17% of counties imposed new fees to make up for lost revenue.
- Oregon and Michigan have both had property tax limits for decades and also have seen significant increases in the use of fees and fines to fund local government services, with them rising about 10% as a share of local government revenue from 1977 to 2015.
- Widespread misuse of fees and fines to raise revenue (especially in the context of corrections) was highlighted in 2014 by unrest in Ferguson, Missouri -- a city that's 75% BIPOC in a state that's had a property tax revenue limit in place since 1980. As part of its investigation into the events leading to the unrest, the U.S. Department of Justice focused on the increasing pressure

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[4] Iris J. Lav and Michael Leachman, "State Limits on Property Taxes Hamstring Local Services and Should Be Relaxed or Repealed," Center on Budget and Policy Priorities, July 18, 2018, accessed at https://www.cbpp.org/sites/default/files/atoms/files/7-18-18sfp.pdf on March 2, 2021.

[5] Michigan has two property tax limitations: srilexpmqmxw$erryep$tvstivx}$xe|$viziryi$kvs{xl$xsxlivexisjmrjpexmsrerhviuymviw$e$vsppfegosjvexiwmjxli$mrgviewi$mr$ewwiwwih$zepyi$i|giihw$mrjpexmsr?erhsrilexpmqmxwxlierryep$kvs{xl$mr$e|efpi$tvstivx}$zepyi$xsxlivexisjmrjpexmsrsv9)0${lmglizi$mw$piww2

[6] New York's provision limits the growth of property taxes levied to 2% or inflation, whichever is less, although it can be overridden by a 60% vote.

[7] Iris J. Lav and Michael Leachman, "State Limits on Property Taxes Hamstring Local Services and Should Be Relaxed or Repealed," Center on Budget and Policy Priorities, July 18, 2018, accessed at https://www.cbpp.org/sites/default/files/atoms/files/7-18-18sfp.pdf on March 2, 2021.

that local governments were under to raise revenue through fees and fines, which was fueling unlawful enforcement. It wrote that:

- "[r]ecent years have seen increased attention on the illegal enforcement of fines and fees in certain jurisdictions around the country — often with respect to individuals accused of misdemeanors, quasi-criminal ordinance violations, or civil infractions. Typically, courts do not sentence defendants to incarceration in these cases; monetary fines are the norm. Yet the harm caused by unlawful practices in these jurisdictions can be profound. Individuals may confront escalating debt; face repeated, unnecessary incarceration for nonpayment despite posing no danger to the community; lose their jobs; and become trapped in cycles of poverty that can be nearly impossible to escape. Furthermore, in addition to being unlawful, to the extent that these practices are geared not toward addressing public safety, but rather toward raising revenue, they can cast doubt on the impartiality of the tribunal and erode trust between local governments and their constituents."

- The experience of Missouri isn't isolated, as local governments throughout the U.S. often rely on fees and fines related to criminal proceedings to raise revenue, which can cause unnecessary harm on low-income families and BIPOC communities. In 1986, 12% of those incarcerated were also fined; by 2004 that had risen to 37% for fines and 66% when fees are included.

Property tax limits not only result in a shift from property taxes to more regressive taxes, but also increase inequities by disproportionately benefitting white property owners, who tend to concentrate in areas where property values are higher.[8]

- As a result of redlining and exclusionary zoning, taxing jurisdictions, especially in urban areas, tend to be segregated by race, with white property values tending to be higher in predominantly white neighborhoods.
- Because of their high values, white neighborhoods around the country generally require relatively lower property tax rates to fund adequate public services and so white homeowners typically pay lower effective property tax rates than BIPOC homeowners.
- Property tax limits tend to lock in existing inequities, as the dollar savings from a property tax limit will be greater for owners of high value homes and serve to increase already wide disparities in wealth among different racial and ethnic groups.
- In 2011, 89% of the tax savings from property tax limitations across the country -- $56 billion -- went to white property owners.
- A 2015 study found "enduring racial inequalities" in effective property taxes paid by homeowners of different racial and ethnic identities, with Black homeowners reporting average levies two mills greater than those paid by comparable white homeowners.[9]
- The difference was greatest in states with property tax limitations.
- "In effect," the study said, "local property taxation, and property tax limitation in particular, disguises a racially biased public subsidy as a private property right."

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[8] Iris J. Lav and Michael Leachman, "State Limits on Property Taxes Hamstring Local Services and Should Be Relaxed or Repealed," Center on Budget and Policy Priorities, July 18, 2018, accessed at https://www.cbpp.org/sites/default/files/atoms/files/7-18-18sfp.pdf on March 2, 2021.

[9] https://journals.sagepub.com/doi/full/10.1177/0896920515607073

Property tax limits affect schools, either constraining the growth in property taxes designated for schools or they may shift funding from property taxes to a slower-growing revenue source.[10]

- In Michigan, education funding was shifted from property taxes to sales taxes, which grow more slowly than the economy and fall harder on low- and middle-income families.
- In Oregon, the state was required to fully replace any lost revenue for schools, educational services and community colleges, which would effectively shift the funding source from property taxes to the income tax (there is no state sales tax); however, the state's Dept. of Revenue reported that the state met the requirement in part by cutting other basic school support funds and state aid for schools dropped 3.3% per pupil from 2008 to 2015.

5-YEAR EXAMPLES

School Districts[i]							
	FY 13 to FY 18 Actual			FY 13 to FY 18 with LB 408			
	Property Tax Revenue Cumulative Change	State Aid Cumulative Percent Change	Total Revenue Cumulative Percent Change	Property Tax Revenue Cumulative Change	State Aid Cumulative Percent Change	Total Revenue Cumulative Percent Change	Cumulative Property Tax Revenue*
Ainsworth	35.5%	(91.2%)	17.6%	15.9%	(91.2%)	5.2%	($4.0 million)
Aurora	17.5%	(22.2%)	19.4%	15.9%	(22.2%)	18.2%	($4.5 million)
Bellevue	(18.3%)	50.9%	0.1%	(20.4%)	50.9%	(0.7%)	($4.0 million)
Elba	70.6%	(9.1%)	35.1%	15.9%	(9.1%)	8.5%	($1.9 million)
Fort Calhoun	16.5%	112.9%	51.9%	10.6%	112.9%	49.0%	($0.35 million)
Grand Island	11.4%	21.1%	15.2%	6.9%	21.1%	13.9%	($4.0 million)
Kearney	45.4%	(36.4%)	18.9%	15.9%	(36.4%)	4.6%	($19.8 million)
Lincoln	26.3%	51.7%	31.8%	15.1%	51.7%	26.6%	($28.7 million)
Millard	14.9%	4.5%	12.5%	4.7%	4.5%	8.1%	($11.0 million)
Omaha	(11.8%)	73.5%	21.6%	(14.8%)	73.5%	20.3%	($16.2 million)
Ralston	45.2%	(1.9%)	19.6%	3.3%	(1.9%)	4.3%	($6.8 million)
Wakefield	62.0%	(62.3%)	14.8%	15.9%	(62.3%)	(7.8%)	($5.2 million)
Westside	65.1%	(45.7%)	26.7%	(3.3%)	(45.7%)	4.9%	($14.9 million)

Cities[ii]							
	FY 13 to FY 18 Actual			FY 13 to FY 18 with LB 408			
	Property Tax Revenue Cumulative Change	Other Revenue Cumulative Percent Change	Total Revenue Cumulative Percent Change	Property Tax Revenue Cumulative Change	Other Revenue Cumulative Percent Change	Total Revenue Cumulative Percent Change	Cumulative Property Tax Revenue*
Bellevue	20.3%	14.0%	16.3%	15.9%	14.0%	14.7%	($2.6 million)
Columbus	28.4%	30.8%	30.5%	15.9%	30.8%	29.0%	$0.06 million
Grand Island	39.0%	14.7%	18.7%	15.9%	14.7%	14.9%	($2.2 million)
Lincoln	32.8%	18.7%	21.4%	15.9%	18.7%	18.2%	($21.9 million)
Norfolk	28.4%	30.8%	30.5%	15.9%	30.8%	29.0%	($0.73 million)
North Platte	14.9%	11.2%	11.8%	15.9%	11.2%	11.9%	$0.89 million
Ogallala	11.6%	17.7%	16.7%	15.9%	17.7%	17.4%	$0.23 million
Omaha	23.6%	43.6%	39.1%	15.9%	43.6%	37.3%	($13.2 million)
Waverly	5.4%	20.3%	17.1%	15.9%	20.3%	19.3%	$0.35 million

[10] Iris J. Lav and Michael Leachman, "State Limits on Property Taxes Hamstring Local Services and Should Be Relaxed or Repealed," Center on Budget and Policy Priorities, July 18, 2018, accessed at https://www.cbpp.org/sites/default/files/atoms/files/7-18-18sfp.pdf on March 2, 2021.

Counties[iii]							
	FY 13 to FY 18 Actual			FY 13 to FY 18 with LB 408			
	Property Tax Revenue Cumulative Change	Other Revenue Cumulative Percent Change	Total Revenue Cumulative Percent Change	Property Tax Revenue Cumulative Change	Other Revenue Cumulative Percent Change	Total Revenue Cumulative Percent Change	Cumulative Property Tax Revenue*
Adams County	23.5%	32.0%	26.2%	15.9%	32.0%	20.9%	($4.5 million)
Cass County	45.3%	4.4%	26.4%	15.9%	4.4%	10.6%	($8.8 million)
Douglas County	23.1%	12.9%	16.6%	15.9%	12.9%	14.0%	($24.3 million)
Garfield County	13.3%	3.3%	9.8%	15.9%	3.3%	11.5%	($0.23 million)
Hall County	11.6%	17.7%	16.7%	15.9%	17.7%	17.4%	$0.23 million
Lancaster County	15.2%	5.8%	10.3%	15.9%	5.8%	10.6%	$3.1 million
Morrill County	36.2%	42.8%	20.0%	15.9%	42.8%	9.2%	($1.3 million)
Sarpy County	28.2%	38.1%	32.0%	15.9%	38.1%	24.5%	($10.5 million)
Sioux County	15.5%	154.6%	124.8%	15.9%	154.6%	124.9%	$0.03 million
York County	15.1%	25.4%	19.9%	15.9%	25.4%	20.4%	$0.53 million

Community Colleges[iv]							
	FY 13 to FY 18 Actual			FY 13 to FY 18 with LB 408			
	Property Tax Revenue Cumulative Change	Other Revenue Cumulative Percent Change	Total Revenue Cumulative Percent Change	Property Tax Revenue Cumulative Change	Other Revenue Cumulative Percent Change	Total Revenue Cumulative Percent Change	Cumulative Property Tax Revenue*
Southeast	66.2%	5.3%	20.3%	15.9%	5.3%	7.9%	($23.6 million)
Central	15.4%	47.6%	31.4%	15.9%	47.6%	31.7%	($3.4 million)
Metropolitan	19.2%	24.2%	22.5%	15.9%	24.2%	21.4%	$1.5 million
Mid-Plains	64.1%	(9.2%)	10.0%	15.9%	(9.2%)	(2.6%)	($11.6 million)
Northeast	45.6%	27.5%	33.3%	15.9%	27.5%	23.8%	($21.6 million)
Western Nebraska	27.8%	(1.7%)	5.5%	15.9%	(1.7%)	2.6%	($4.4 million)
Natural Resource Districts[v]							
	FY 13 to FY 18 Actual			FY 13 to FY 18 with LB 408			
	Property Tax Revenue Cumulative Change	Other Revenue Cumulative Percent Change	Total Revenue Cumulative Percent Change	Property Tax Revenue Cumulative Change	Other Revenue Cumulative Percent Change	Total Revenue Cumulative Percent Change	Cumulative Property Tax Revenue*
Central Platte	12.5%	-1.6%	5.3%	15.9%	-1.6%	7.0%	($1.1 million)
Lower Elkhorn	28.1%	111.3%	39.4%	15.9%	111.3%	28.9%	($2.0 million)
Nemaha	4.7%	28.7%	10.4%	15.9%	28.7%	18.9%	$0.04 million

[i] School district data from Annual Financial Reports.
[ii] City data from individual city Consolidated Annual Financial Reports (CAFR) or Financial Statements from the Nebraska Auditor of Public Accounts.
[iii] County data from individual county Consolidated Annual Financial Reports (CAFR) or Financial Statements from the Nebraska Auditor of Public Accounts.
[iv] Community college data from http://nebraskacommunitycolleges.org/peer-comparison-finance/.
[v] NRD data from individual NRD Financial Statements from the Nebraska Auditor of Public Accounts.

Notes: All subdivisions' property tax in the LB 408 examples are increased 3% each year unless the subdivision was at or above its levy limit, in which case if the subdivision's property tax ask was less than 3%, we kept it at that amount less than 3%; Years where the subdivision's property tax ask exceeded 3% were reduced to 3%. Cumulative change compares FY 18 to FY 13.
*Cumulative property tax revenue is the gain/loss of revenue under LB 408 compared to actual property tax revenues.

1-YEAR EXAMPLES

School Districts[i]							
	FY 17 to FY 18 Actual			FY 17 to FY 18 with LR 22CA/LB 408			
	Property Tax Revenue Percent Change	State Aid Percent Change	Total Revenue Percent Change	Property Tax Revenue Percent Change	State Aid Percent Change	Total Revenue Percent Change	Property Tax Revenue*
Ainsworth	(3.2%)	14.3%	(0.3%)	3.0%	14.3%	4.3%	$325,337
Ashland-Greenwood	7.8%	(25.7%)	(0.3%)	3.0%	(25.7%)	(3.0%)	($288,756)
Bayard	4.6%	(3.3%)	0.7%	3.0%	(3.3%)	(0.1%)	($44,961)
Bellevue	(21.9%)	29.4%	2.0%	(21.9%)	29.4%	2.0%	-
Central City	6.3%	4.7%	7.8%	3.0%	4.7%	5.4%	($250,019)
Cozad	(0.8%)	(47.7%)	(1.7%)	(0.8%)	(47.7%)	(1.7%)	-
David City	2.1%	69.3%	2.8%	3.0%	69.3%	3.4%	$74,030
Dundy Co Stratton	7.1%	-	8.2%	3.0%	-	5.0%	($195,184)
Elba	(0.5%)	-	4.3%	3.0%	-	6.6%	($52,408)
Giltner	6.4%	2.1%	0.8%	3.0%	2.1%	(1.1%)	($57,770)
Grand Island	0.8%	3.0%	2.2%	0.8%	3.0%	2.2%	-
Hastings	6.4%	4.0%	2.4%	3.0%	4.0%	1.5%	($328,867)
Hershey	3.4%	11.5%	5.1%	3.0%	11.5%	4.8%	$17,668
Humboldt TRS	(12.4%)	-	(6.6%)	3.0%	-	5.3%	$903,559
Kearney	6.2%	(16.5%)	1.4%	3.0%	(16.5%)	(0.5%)	($1,036,813)
Lyons-Decatur NE	(3.8%)	-	1.9%	3.0%	-	7.2%	$244,382
Malcolm	(4.0%)	20.6%	5.1%	3.0%	20.6%	8.3%	$198,954
Millard	12.0%	(15.5%)	(1.5%)	3.0%	(15.5%)	(5.0%)	($7,764,907)
Mitchell	0.6%	(2.5%)	(1.1%)	0.6%	(2.5%)	(1.1%)	-
Nebraska City	2.1%	(4.0%)	20.4%	2.1%	(4.0%)	20.4%	-
North Platte	11.5%	(12.2%)	2.9%	3.0%	(12.2%)	(1.2%)	($1,730,476)
Osmond	0.0%	230.3%	3.8%	3.0%	230.3%	6.1%	$72,463
Perkins County	3.3%	-	5.1%	3.0%	-	4.9%	($11,998)
Ralston	27.5%	(21.3%)	5.6%	3.0%	(21.3%)	(3.0%)	($3,023,218)
Ravenna	4.7%	-	7.3%	3.0%	-	6.0%	($83,424)
Seward	5.9%	-	13.3%	3.0%	-	11.3%	($320,018)
Springfield Platteview	129.1%	(95.7%)	16.2%	3.0%	(95.7%)	(30.5%)	($6,264,161)
Stuart	(1.1%)	(25.2%)	(8.7%)	3.0%	(25.2%)	(6.5%)	$67,151
Tri County	(10.0%)	56.3%	(3.9%)	(10.0%)	56.3%	(3.9%)	-
Wakefield	(7.9%)	128.5%	2.4%	(7.9%)	128.5%	2.4%	-
West Point	(2.6%)	259.5%	0.7%	3.0%	259.5%	4.9%	$408,048
Westside	58.4%	(44.5%)	20.2%	3.0%	(44.5%)	0.8%	($13,314,237)

*Cumulative property tax revenue is the gain/loss of revenue under LR 22CA/LB 408 compared to actual property tax revenues.

Note: Cumulative percent change is FY 18 compared to FY 13.

[i] School district data from Annual Financial Reports. For all schools with a levy below $0.95, it was assumed they would set their property tax ask at the maximum of 3%. For all school districts near, at, or above the max levy, it was not assumed they would be able to increase their levy to grow property tax collections by 3%. These schools were capped at 3% if property tax collections grew by more than 3%, and kept at actual growth if that growth was below 3%.