

SENATE Bill 175

SENATOR LLEW JONES, Primary Sponsor

SB 175 Major Themes

• Funding and flexibility for student achievement:

- o Inflation of .89% and 2.08%
- o Data for achievement payment \$20 per ANB
- o Basic entitlement per school unit (Good for rural schools with increase in first entitlement. Good for larger schools with second and subsequent entitlement)
- o Increased spending authority for districts over maximum because of declining enrollments
- o Addresses unusual enrollment increases for rural (4%) and larger (25 student) school districts
- o Facilitates advanced learning of students by eliminating seat time penalties for fast learners
- o Authority to increase over BASE general fund levy as long as other taxes are reduced

• Statewide tax relief:

- o Use oil and gas in known amounts to reduce base taxes by \$24 million per year § \$24 million reduction based on current oil prices and production
- § If oil price or production falls by 2/3, taxes will still remain \$8 million below the levels they would be without LC 132

• Tax relief for oil and gas impacted areas:

- o Re-devotes oil and gas to school districts with oil and gas impacts but without oil and gas revenues to ensure against increases in property taxes in such areas and to allow students to be effectively served in such areas

• Alignment of natural resource development and school and taxpayer success:

- o Excess state land revenues are split 50%-50% for tax relief and school facilities repairs § 50% to reduce BASE property taxes
- § 50% to address facilities deficiencies cited in the Department of Administration Facilities Study

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