

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 837

DATE: March 13, 2007

Version: As introduced

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Subject: Education finance; increasing debt service equalization aid

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Overview

Increases debt service equalization aid by substantially increasing the first tier equalization factor, and indexing the equalization factors for both tiers for inflation.

Section

- 1** **Equalized debt service levy.** Sets the first tier debt service equalization factor at the state average adjusted net tax capacity per pupil (approximately \$6,900), and the second tier equalization factor at 116 percent of the state average adjusted net tax capacity per pupil (approximately \$8,000). Under current law, first tier equalization revenue is equalized at \$3,200 per pupil, and second tier equalization revenue is equalized at \$8,000 per pupil.
- 2** **Debt service equalizing factor.** Defines debt service equalizing factor as the state average adjusted net tax capacity per pupil.