

# Debate Opens On Neb. Gov.'s Tax Cut Plan

BY MICHAEL AVOK  
Associated Press

LINCOLN, Neb. — Gov. Dave Heineman's \$327 million tax cut plan hit a wave of opposition Thursday as county officials filled a committee room to protest the termination of the inheritance tax.

Heineman touted his tax cut proposal in the Legislature's Revenue Committee during the first hearing on Legislative Bill 970, which was brought by Sen. Abbie Cornett of Bellevue on behalf of the governor.

"Nebraska's income tax system is unfair to middle-class families," the governor said. "Some will argue that the state can't afford tax relief, but that's not true.

"The choice for us is clear, tax relief for hard working, middle-class Nebraskans or more spending for special interest groups. I hope you will join Sen. Cornett and me in providing tax relief for middle-class Nebraskans."

The measure would bring tax relief by lowering individual and corporate income taxes. It also calls for an end to the inheritance tax.

As expected, the inheritance tax was the flashpoint during five hours of testimony Thursday.

The inheritance tax, levied on estate recipients when a person dies, is used by many counties to build rainy day funds or pay for programs such as caring for the elderly and

the indigent.

County officials made it clear during the hearing they that don't want to lose that money, and if they do, public programs and services could suffer.

Either that, or it would mean three words: Property tax increases.

Mary Ann Borgeson, vice-chairwoman of the Douglas County Board, opposed the bill, saying that ending the inheritance tax amounts to a tax shift.

She said Douglas County would lose \$8.5 million per year, money that is now used to care for the poor, veterans' issues and long-term elderly care.

"If the county loses this revenue, Douglas County would have to approve an increase in the property tax," Borgeson said.

"LB 970 in reality is nothing more than a tax shift. Property taxpayers should not be burdened with the shortsightedness of this plan."

Lancaster County officials said they would lose \$6 million per year and the county would have to cut 120 jobs.

A quality community, a solid business climate and a low crime rate would all be jeopardized by the elimination of the inheritance tax, they said.

Larry Dix, director of the Nebraska Association of County Officials, said nearly every county would suffer under LB 970.

"The belts have been tightened," he said.

"We are to the point where the belt tightening can go no further.

"We will be looking at a property tax increase. That's all we have. If our property taxes go up, the tax cuts don't really help anything."

Heineman outlined his tax relief package in his 2012 State of the State address, calling it the single most important priority of the legislative session.

There was little discussion Thursday on reducing corporate and individual income tax rates over three years, starting in 2013.

The proposed cuts would take effect in January 2013, with nearly \$274 million in relief for individuals and nearly \$53 million for businesses.

Meanwhile, state Sen. Heath Mello of Omaha has introduced LB 977, the Property Tax Relief Act.

Under the bill, Nebraska homeowners would receive approximately \$76 million in property tax relief. Through a homestead exemption of the first \$8,000 in a home's value, the average homeowner in Nebraska would receive more than \$150 in property tax relief annually.

"LB 977 represents the most significant middle-class tax relief package we could consider this session," Mello said. "If we are going to discuss any tax changes this session, property tax relief must be part of the debate."

## Neb. Child Welfare Debate Rages In Hearing

LINCOLN, Neb. (AP) — The head of Nebraska's child welfare services says a proposal to reclaim case management duties from private contractors would destabilize the system that serves abused and neglected children.

Scot Adams told a legislative panel Thursday that the agency opposes the measure (LB961) to end a major part of Nebraska's move toward privatization. Adams says the effort could prompt the state's two contractors to withdraw before their agreements expire in 2014.

His comments followed more than three hours of committee testimony from foster parents and child advocates who say the state's privatization effort has worsened child services.

Foster parents recounted stories in which young children were left to sit in filthy clothes and their own waste for hours after they were removed from homes.

## Man Withdraws Mysterious Claim On Jackpot

DES MOINES, Iowa (AP) — Iowa Lottery officials say a New York attorney has withdrawn his claim on a multimillion-dollar jackpot.

Lottery spokeswoman Mary Neubauer said Thursday that Crawford Shaw had abandoned his claim.

Previously, officials had given Shaw until Friday to explain the mysterious circumstances around how he obtained the winning ticket. Lottery officials had been refusing to pay the jackpot worth more than \$7.5 million until Shaw answered questions.

Shaw declined to comment Thursday on his decision to withdraw the claim on the jackpot.

The winning ticket was bought at a Des Moines gas station in December 2010. Shaw submitted the ticket for redemption on Dec. 29 less than two hours before it expired.

## Power Outage Affects 6,000 In South Dakota

ABERDEEN (AP) — Electricity is being restored to about 6,000 NorthWestern Energy customers in Aberdeen, Warner, Mellette, Stratford and the surrounding areas.

They lost power Thursday morning. NorthWestern Energy spokesman Tom Glanzer tells the *American News* that there was a problem with an electrical substation on the south side of Aberdeen.

The outage included Northern State University, though a spokeswoman said at midday that part of the campus had electricity again.

## 2011 Hunting Accidents Up In Nebraska

LINCOLN, Neb. (AP) — The number of hunting accidents in Nebraska jumped back up in 2011 to levels seen in 2009, 2008 and 2007.

A Nebraska Games and Parks Commission report says there were 12 hunting accidents in 2011, including two deaths. That's up from 2010, when there were only eight accidents, including one death.

The report says all but one of the accidents last year involved the discharge of a firearm. In October, a 38-year-old man died after investigators believe he stumbled in brush and shot himself in the head while duck hunting in Dodge County. In November, a 69-year-old deer hunter was fatally shot in Thayer County by his 72-year-old hunting companion, who thought he was shooting at a deer.

The non-firearm accident involved a hunter falling from a tree stand.

## Teens Bring BB Gun To School, Get Arrested

SIOUX FALLS (AP) — Two Roosevelt High School students in Sioux Falls are in trouble for allegedly bringing a BB gun to school and pointing it through a bag at other students.

Police say the gun looked like a handgun that would shoot bullets. The 15- and 16-year-old male students were arrested Wednesday morning on charges of aggravated assault and possession of a weapon on school property.

The 16-year-old also faces a charge for having synthetic marijuana.

# S.D. School Assessment Bill Moves To Appropriations

BY VERONICA ZARAGOVIA  
Associated Press

PIERRE — Lawmakers are considering a new system for assessing South Dakota public schools to replace the national No Child Left Behind guidelines.

The Senate Education Committee voted Thursday to defer the measure to the appropriations committee. Lawmakers added a "do pass" recommendation, which means it would next go to the Senate floor.

The so-called "Next Generation Accountability Model" uses four indicators to evaluate schools: student achievement, academic growth, college and career ready for high school stu-

dents and school climate. The indicators for elementary and middle schools are the same except that attendance replaces college and career preparedness.

Melanie Schopp, South Dakota Education Secretary, said she favors the bill, though she said some good was sparked by the federal school improvement law that the state bill aims to replace.

When President George W. Bush administration signed the No Child Left Behind law in 2002, South Dakota lacked an accountability system, Schopp said, forcing educators to recognize flaws. However, it imposed "one single component — a statewide test" to examine educators and students and set an unrealistic goal of 100

percent proficiencies in math and reading by 2014, she said.

Officials began developing the new system for public schools in September.

Sandy Arsenault of the South Dakota Education Association said the model isn't yet polished. She took part in the task force that evaluated the state's teaching system and said the group met only four times.

"We've taken out the language of No Child Left Behind and we've opened up a very general accountability bill, especially when it comes to the teacher and principal evaluation part of that," Arsenault said. "We will give the Department of Education new powers to establish the process

and there won't be constraints on that power. We need to make sure those evaluation systems are reliable."

Overall, the new system would include student testing and would look at students' progress from year to year. It would also evaluate the performance of teachers and administrators.

Schools ranked near the bottom would receive support to make improvements instead of being punished, department officials said.

At Thursday's committee hearing, Senate lawmakers urged the Education Department to ensure it has enough funding to support the changes because state dollars are unlikely.

# Kerrey Still Deciding On Run For Senate In Neb.

BY MARGERY A. BECK  
Associated Press

OMAHA, Neb. — Former Democratic presidential candidate Bob Kerrey said Thursday he won't make a decision this week on whether to run for the U.S. Senate seat he once held.

The one-term Nebraska governor and two-term U.S. senator has been mulling a bid to replace U.S. Sen. Ben Nelson, who announced last month that he would not seek a third term. Both Democrats and Republicans have acknowledged that Kerrey is the Democrats' best hope for retaining the seat.

Kerrey said earlier this month during a nearly weeklong trip to Nebraska that he would make a decision shortly after returning to New York, where he's lived and worked for the past decade.

But more than a week later, he's still weighing his options.

"It's a substantial change in my life. I do see the need and, modestly, think I could make a difference," Kerrey said Thursday. "But it's not just me anymore. The greatest source of my happiness at the moment is the fact that I'm married and have a 10-year-old, and I don't want to mess that up."

Kerrey also said his work as executive chairman of Seattle-based education technology company GlobalScholar is keeping him busy.

He was adamant that he was not delaying a decision until after Feb. 15, the deadline for Nebraska incumbents — like Republican Gov. Dave Heineman — to file paperwork to run in the state's May 15 primary elections.

"First of all, I think that's a sort of calculation that is part of the problem with politics today," Kerrey said. "And I don't think it's fair to the other potential candidates to wait that long."

Given that, Kerrey expects to make and announce a decision next week, he said.

"The longer it's a public story, the more uncomfortable I get. Not because I don't like public stories, but it sounds like I'm ruminating — a la Hamlet or something — and I'm really not," Kerrey said. "I'm busy. I've got a job. My wife and I have been talking about it late in the evening every night since I've been back, and we just haven't reached a decision."

Of course, Kerrey has a history of considering campaigns that he never enters. He did so in 2000, when he considered an-

other run for president, as well as in 2005, when he toyed with running for New York City mayor. His last came in 2008, when he again stepped away from a run for Nebraska's last open U.S. Senate seat, now held by Republican Mike Johanns.


## ATTENTION TAXPAYERS:

### NOTICE OF PROPERTY TAX INCREASE OF \$1,400,000

### RESOLUTION FOR OPT OUT AND VOTE TO BE HELD

THE GOVERNING BOARD OF Yankton School District 63-3 do state that the above said board is unable to operate under the tax limitation measure currently in statute. We therefore OPT OUT of such limitation in the amount of \$1,400,000 starting with calendar year 2012 taxes payable in the calendar year 2013. This opt out will be for 2 years, which will be through taxes payable in the calendar year 2014. This action has been taken by the board and approved by at least a two-thirds vote of the board.

Also, be it resolved that the GOVERNING BOARD OF YANKTON SCHOOL DISTRICT 63-3 will conduct an election to approve or disapprove the tax levy opt out pursuant to SDCL 10-12-43. The election will be held on February 28, 2012. Signed Kathy Greeneway, Board Chairman; Verlin Ailts, Board Member; Jim Fitzgerald, Board Member, Chris Specht, Board Member and Jay Williams, Board Member. Adopted this 23rd day of January, 2012.



## Woman of Distinction Luncheon


*Women Community Leaders Committee invite you to join us in recognizing past nominees and celebrating this year's award winners for their outstanding contributions to our community.*

# Monday, February 20

Roncalli Center Dining Room • Mount Marty College  
1105 W. 8th St. • Yankton, SD

**Tickets:** \$20/each or \$200 for a table of 10

Doors open at 11:00 a.m. • Dinner and presentation 11:30 a.m.



**Alice Dendinger**

The luncheon will include a presentation entitled "Is There An It You Don't Get" by featured speaker and former Yankton native, Alice Dendinger, SPHR, a 30 year human resource professional and President of the Alice Dendinger Alliance Group, a consulting firm based in Austin, TX working with organizations to maximize employee engagement and overall business success.

Call the Yankton Area Chamber of Commerce at (605)665-3636 to order tickets by February 10th.  
803 E. 4th St., Yankton, SD  
[www.yanktonsd.com/distinctionluncheon](http://www.yanktonsd.com/distinctionluncheon)

