

AMENDMENTS TO LB 1070

(Amendments to Standing Committee amendments, AM2084)

Introduced by Adams, 24.

1 1. Strike sections 2, 3, 6, 8, 10, and 12 and all
2 amendments thereto and insert the following new sections:

3 Sec. 2. Section 70-651.04, Reissue Revised Statutes of
4 Nebraska, is amended to read:

5 70-651.04 All payments which are based on retail revenue
6 from each incorporated city or village shall be divided and
7 distributed by the county treasurer to that city or village, to the
8 school districts located in that city or village, to any learning
9 community located in that city or village, and to the county in
10 which may be located any such incorporated city or village in
11 the proportion that their respective property tax levies in the
12 preceding year bore to the total of such levies.

13 Sec. 3. Section 77-1736.06, Reissue Revised Statutes of
14 Nebraska, is amended to read:

15 77-1736.06 The following procedure shall apply when
16 making a property tax refund:

17 (1) Within thirty days of the entry of a final
18 nonappealable order, an unprotested determination of a county
19 assessor, an unappealed decision of a county board of equalization,
20 or other final action requiring a refund of real or personal
21 property taxes paid or, for property valued by the state, within
22 thirty days of a recertification of value by the Property Tax

1 Administrator pursuant to section 77-1775 or 77-1775.01, the
2 county assessor shall determine the amount of refund due the
3 person entitled to the refund, certify that amount to the county
4 treasurer, and send a copy of such certification to the person
5 entitled to the refund. Within thirty days from the date the county
6 assessor certifies the amount of the refund, the county treasurer
7 shall notify each political subdivision, including any political
8 subdivision receiving a distribution pursuant to section 79-1073
9 or 79-1073.01, of its respective share of the refund, except that
10 for any political subdivision whose share of the refund is two
11 hundred dollars or less, the county board may waive this notice
12 requirement. Notification shall be by first-class mail, postage
13 prepaid, to the last-known address of record of the political
14 subdivision. The county treasurer shall pay the refund from funds
15 in his or her possession belonging to any political subdivision,
16 including any political subdivision receiving a distribution
17 pursuant to section 79-1073 or 79-1073.01, which received any part
18 of the tax or penalty being refunded. If sufficient funds are
19 not available or the political subdivision, within thirty days of
20 the mailing of the notice by the county treasurer if applicable,
21 certifies to the county treasurer that a hardship would result and
22 create a serious interference with its governmental functions if
23 the refund of the tax or penalty is paid, the county treasurer
24 shall register the refund or portion thereof which remains unpaid
25 as a claim against such political subdivision and shall issue the
26 person entitled to the refund a receipt for the registration of
27 the claim. The certification by a political subdivision declaring a

1 hardship shall be binding upon the county treasurer;

2 (2) The refund of a tax or penalty or the receipt for
3 the registration of a claim made or issued pursuant to this section
4 shall be satisfied in full as soon as practicable and in no event
5 later than five years from the date the final order or other action
6 approving a refund is entered. The governing body of the political
7 subdivision shall make provisions in its budget for the amount of
8 any refund or claim to be satisfied pursuant to this section. If a
9 receipt for the registration of a claim is given:

10 (a) Such receipt shall be applied to satisfy any tax
11 levied or assessed by that political subdivision next falling due
12 from the person holding the receipt after the sixth next succeeding
13 levy is made on behalf of the political subdivision following the
14 final order or other action approving the refund; and

15 (b) To the extent the amount of such receipt exceeds
16 the amount of such tax liability, the unsatisfied balance of the
17 receipt shall be paid and satisfied within the five-year period
18 prescribed in this subsection from a combination of a credit
19 against taxes anticipated to be due to the political subdivision
20 during such period and cash payment from any funds expected to
21 accrue to the political subdivision pursuant to a written plan to
22 be filed by the political subdivision with the county treasurer
23 no later than thirty days after the claim against the political
24 subdivision is first reduced by operation of a credit against taxes
25 due to such political subdivision.

26 If a political subdivision fails to fully satisfy the
27 refund or claim prior to the sixth next succeeding levy following

1 the entry of a final nonappealable order or other action approving
2 a refund, interest shall accrue on the unpaid balance commencing on
3 the sixth next succeeding levy following such entry or action at
4 the rate set forth in section 45-103;

5 (3) The county treasurer shall mail the refund or the
6 receipt by first-class mail, postage prepaid, to the last-known
7 address of the person entitled thereto. Multiple refunds to the
8 same person may be combined into one refund or credit. If a refund
9 is not claimed by June 1 of the year following the year of mailing,
10 the refund shall be canceled and the resultant amount credited to
11 the various funds originally charged;

12 (4) When the refund involves property valued by the
13 state, the Tax Commissioner shall be authorized to negotiate a
14 settlement of the amount of the refund or claim due pursuant to
15 this section on behalf of the political subdivision from which
16 such refund or claim is due. Any political subdivision which does
17 not agree with the settlement terms as negotiated may reject such
18 terms, and the refund or claim due from the political subdivision
19 then shall be satisfied as set forth in this section as if no such
20 negotiation had occurred;

21 (5) In the event that the Legislature appropriates state
22 funds to be disbursed for the purposes of satisfying all or any
23 portion of any refund or claim, the Tax Commissioner shall order
24 the county treasurer to disburse such refund amounts directly to
25 the persons entitled to the refund in partial or total satisfaction
26 of such persons' claims. The county treasurer shall disburse such
27 amounts within forty-five days after receipt thereof; and

1 (6) If all or any portion of the refund is reduced by
2 way of settlement or forgiveness by the person entitled to the
3 refund, the proportionate amount of the refund that was paid by
4 an appropriation of state funds shall be reimbursed by the county
5 treasurer to the State Treasurer within forty-five days after
6 receipt of the settlement agreement or receipt of the forgiven
7 refund. The amount so reimbursed shall be credited to the General
8 Fund.

9 Sec. 4. Section 77-3442, Reissue Revised Statutes of
10 Nebraska, is amended to read:

11 77-3442 (1) Property tax levies for the support of local
12 governments for fiscal years beginning on or after July 1, 1998,
13 shall be limited to the amounts set forth in this section except as
14 provided in section 77-3444.

15 (2)(a) Except as provided in subdivision (2)(e) of this
16 section, school districts and multiple-district school systems,
17 except learning communities and school districts that are members
18 of learning communities, may levy a maximum levy of one dollar and
19 five cents per one hundred dollars of taxable valuation of property
20 subject to the levy.

21 (b) For each fiscal year, learning communities may levy
22 a maximum levy for the general fund budgets of member school
23 districts of ninety-five cents per one hundred dollars of taxable
24 valuation of property subject to the levy. The proceeds from the
25 levy pursuant to this subdivision shall be distributed pursuant to
26 section 79-1073.

27 (c) Except as provided in subdivision (2)(e) of this

1 section, for each fiscal year, school districts that are members
2 of learning communities may levy for purposes of such districts'
3 general fund budget and special building funds a maximum combined
4 levy of the difference of one dollar and five cents on each one
5 hundred dollars of taxable property subject to the levy minus
6 the learning community levies pursuant to subdivisions (2)(b) and
7 (2)(g) of this section for such learning community.

8 (d) Excluded from the limitations in subdivisions (2)(a)
9 and (2)(c) of this section are amounts levied to pay for
10 sums agreed to be paid by a school district to certificated
11 employees in exchange for a voluntary termination of employment
12 and amounts levied to pay for special building funds and sinking
13 funds established for projects commenced prior to April 1, 1996,
14 for construction, expansion, or alteration of school district
15 buildings. For purposes of this subsection, commenced means any
16 action taken by the school board on the record which commits
17 the board to expend district funds in planning, constructing, or
18 carrying out the project.

19 (e) Federal aid school districts may exceed the maximum
20 levy prescribed by subdivision (2)(a) or (2)(c) of this section
21 only to the extent necessary to qualify to receive federal aid
22 pursuant to Title VIII of Public Law 103-382, as such title existed
23 on September 1, 2001. For purposes of this subdivision, federal
24 aid school district means any school district which receives ten
25 percent or more of the revenue for its general fund budget from
26 federal government sources pursuant to Title VIII of Public Law
27 103-382, as such title existed on September 1, 2001.

1 (f) For school fiscal year 2002-03 through school fiscal
2 year 2007-08, school districts and multiple-district school systems
3 may, upon a three-fourths majority vote of the school board of
4 the school district, the board of the unified system, or the
5 school board of the high school district of the multiple-district
6 school system that is not a unified system, exceed the maximum
7 levy prescribed by subdivision (2)(a) of this section in an amount
8 equal to the net difference between the amount of state aid that
9 would have been provided under the Tax Equity and Educational
10 Opportunities Support Act without the temporary aid adjustment
11 factor as defined in section 79-1003 for the ensuing school fiscal
12 year for the school district or multiple-district school system
13 and the amount provided with the temporary aid adjustment factor.
14 The State Department of Education shall certify to the school
15 districts and multiple-district school systems the amount by which
16 the maximum levy may be exceeded for the next school fiscal year
17 pursuant to this subdivision (f) of this subsection on or before
18 February 15 for school fiscal years 2004-05 through 2007-08.

19 (g) For each fiscal year, learning communities may levy a
20 maximum levy of two cents on each one hundred dollars of taxable
21 property subject to the levy for special building funds for member
22 school districts. The proceeds from the levy pursuant to this
23 subdivision shall be distributed pursuant to section 79-1073.01.

24 (h) For each fiscal year, learning communities may levy
25 a maximum levy of ~~five~~ two cents on each one hundred dollars of
26 taxable property subject to the levy for elementary learning center
27 facility leases, for remodeling of leased elementary learning

1 center facilities, and for up to fifty percent of the estimated
2 cost for focus school or program capital projects approved by
3 the learning community coordinating council pursuant to section
4 79-2111.

5 (i) For each fiscal year, learning communities may levy
6 a maximum levy of one cent on each one hundred dollars of
7 taxable property subject to the levy for elementary learning center
8 employees, for contracts with other entities or individuals who
9 are not employees of the learning community for elementary learning
10 center programs and services, and for pilot projects, except that
11 no more than ten percent of such levy may be used for elementary
12 learning center employees.

13 (3) Community colleges may levy a maximum levy calculated
14 pursuant to the Community College Foundation and Equalization Aid
15 Act on each one hundred dollars of taxable property subject to the
16 levy.

17 (4) (a) Natural resources districts may levy a maximum
18 levy of four and one-half cents per one hundred dollars of taxable
19 valuation of property subject to the levy.

20 (b) Natural resources districts shall also have the power
21 and authority to levy a tax equal to the dollar amount by which
22 their restricted funds budgeted to administer and implement ground
23 water management activities and integrated management activities
24 under the Nebraska Ground Water Management and Protection Act
25 exceed their restricted funds budgeted to administer and implement
26 ground water management activities and integrated management
27 activities for FY2003-04, not to exceed one cent on each one

1 hundred dollars of taxable valuation annually on all of the taxable
2 property within the district.

3 (c) In addition, natural resources districts located in
4 a river basin, subbasin, or reach that has been determined to
5 be fully appropriated pursuant to section 46-714 or designated
6 as overappropriated pursuant to section 46-713 by the Department
7 of Natural Resources shall also have the power and authority to
8 levy a tax equal to the dollar amount by which their restricted
9 funds budgeted to administer and implement ground water management
10 activities and integrated management activities under the Nebraska
11 Ground Water Management and Protection Act exceed their restricted
12 funds budgeted to administer and implement ground water management
13 activities and integrated management activities for FY2005-06, not
14 to exceed three cents on each one hundred dollars of taxable
15 valuation on all of the taxable property within the district for
16 fiscal year 2006-07 and each fiscal year thereafter through fiscal
17 year 2011-12.

18 (5) Any educational service unit authorized to levy a
19 property tax pursuant to section 79-1225 may levy a maximum levy of
20 one and one-half cents per one hundred dollars of taxable valuation
21 of property subject to the levy.

22 (6) (a) Incorporated cities and villages which are not
23 within the boundaries of a municipal county may levy a maximum levy
24 of forty-five cents per one hundred dollars of taxable valuation
25 of property subject to the levy plus an additional five cents per
26 one hundred dollars of taxable valuation to provide financing for
27 the municipality's share of revenue required under an agreement

1 or agreements executed pursuant to the Interlocal Cooperation Act
2 or the Joint Public Agency Act. The maximum levy shall include
3 amounts levied to pay for sums to support a library pursuant
4 to section 51-201, museum pursuant to section 51-501, visiting
5 community nurse, home health nurse, or home health agency pursuant
6 to section 71-1637, or statue, memorial, or monument pursuant to
7 section 80-202.

8 (b) Incorporated cities and villages which are within the
9 boundaries of a municipal county may levy a maximum levy of ninety
10 cents per one hundred dollars of taxable valuation of property
11 subject to the levy. The maximum levy shall include amounts paid
12 to a municipal county for county services, amounts levied to pay
13 for sums to support a library pursuant to section 51-201, a museum
14 pursuant to section 51-501, a visiting community nurse, home health
15 nurse, or home health agency pursuant to section 71-1637, or a
16 statue, memorial, or monument pursuant to section 80-202.

17 (7) Sanitary and improvement districts which have been in
18 existence for more than five years may levy a maximum levy of forty
19 cents per one hundred dollars of taxable valuation of property
20 subject to the levy, and sanitary and improvement districts which
21 have been in existence for five years or less shall not have
22 a maximum levy. Unconsolidated sanitary and improvement districts
23 which have been in existence for more than five years and are
24 located in a municipal county may levy a maximum of eighty-five
25 cents per hundred dollars of taxable valuation of property subject
26 to the levy.

27 (8) Counties may levy or authorize a maximum levy of

1 fifty cents per one hundred dollars of taxable valuation of
2 property subject to the levy, except that five cents per one
3 hundred dollars of taxable valuation of property subject to the
4 levy may only be levied to provide financing for the county's
5 share of revenue required under an agreement or agreements executed
6 pursuant to the Interlocal Cooperation Act or the Joint Public
7 Agency Act. The maximum levy shall include amounts levied to pay
8 for sums to support a library pursuant to section 51-201 or museum
9 pursuant to section 51-501. The county may allocate up to fifteen
10 cents of its authority to other political subdivisions subject
11 to allocation of property tax authority under subsection (1) of
12 section 77-3443 and not specifically covered in this section to
13 levy taxes as authorized by law which do not collectively exceed
14 fifteen cents per one hundred dollars of taxable valuation on any
15 parcel or item of taxable property. The county may allocate to
16 one or more other political subdivisions subject to allocation
17 of property tax authority by the county under subsection (1) of
18 section 77-3443 some or all of the county's five cents per one
19 hundred dollars of valuation authorized for support of an agreement
20 or agreements to be levied by the political subdivision for the
21 purpose of supporting that political subdivision's share of revenue
22 required under an agreement or agreements executed pursuant to the
23 Interlocal Cooperation Act or the Joint Public Agency Act. If an
24 allocation by a county would cause another county to exceed its
25 levy authority under this section, the second county may exceed
26 the levy authority in order to levy the amount allocated. Property
27 tax levies for costs of reassumption of the assessment function

1 pursuant to section 77-1340 or 77-1340.04 are not included in the
2 levy limits established in this subsection for fiscal years 2010-11
3 through 2013-14.

4 (9) Municipal counties may levy or authorize a maximum
5 levy of one dollar per one hundred dollars of taxable valuation
6 of property subject to the levy. The municipal county may allocate
7 levy authority to any political subdivision or entity subject to
8 allocation under section 77-3443.

9 (10) Property tax levies for judgments, except judgments
10 or orders from the Commission of Industrial Relations, obtained
11 against a political subdivision which require or obligate a
12 political subdivision to pay such judgment, to the extent such
13 judgment is not paid by liability insurance coverage of a
14 political subdivision, for preexisting lease-purchase contracts
15 approved prior to July 1, 1998, for bonded indebtedness approved
16 according to law and secured by a levy on property except as
17 provided in section 44-4317 for bonded indebtedness issued by
18 educational service units and school districts, and for payments by
19 a public airport to retire interest-free loans from the Department
20 of Aeronautics in lieu of bonded indebtedness at a lower cost to
21 the public airport are not included in the levy limits established
22 by this section.

23 (11) The limitations on tax levies provided in this
24 section are to include all other general or special levies
25 provided by law. Notwithstanding other provisions of law, the
26 only exceptions to the limits in this section are those provided by
27 or authorized by sections 77-3442 to 77-3444.

1 (12) Tax levies in excess of the limitations in this
2 section shall be considered unauthorized levies under section
3 77-1606 unless approved under section 77-3444.

4 (13) For purposes of sections 77-3442 to 77-3444,
5 political subdivision means a political subdivision of this state
6 and a county agricultural society.

7 (14) For school districts that file a binding resolution
8 on or before May 9, 2008, with the county assessors, county clerks,
9 and county treasurers for all counties in which the school district
10 has territory pursuant to subsection (7) of section 79-458, if the
11 combined levies, except levies for bonded indebtedness approved by
12 the voters of the school district and levies for the refinancing
13 of such bonded indebtedness, are in excess of the greater of (a)
14 one dollar and twenty cents per one hundred dollars of taxable
15 valuation of property subject to the levy or (b) the maximum
16 levy authorized by a vote pursuant to section 77-3444, all school
17 district levies, except levies for bonded indebtedness approved by
18 the voters of the school district and levies for the refinancing of
19 such bonded indebtedness, shall be considered unauthorized levies
20 under section 77-1606.

21 Sec. 5. Section 79-527, Reissue Revised Statutes of
22 Nebraska, is amended to read:

23 79-527 (1) The superintendent or head administrator of a
24 public school district or a nonpublic school system shall annually
25 report to the Commissioner of Education in such detail and on
26 such date as required by the commissioner the number of students
27 who have dropped out of school, ~~or were for any reason suspended,~~

1 ~~expelled,~~ or ~~excluded from school during the year.~~ School districts
2 that are members of learning communities shall also provide the
3 learning community coordinating council with a copy of ~~the such~~
4 ~~report to the commissioner~~ on or before the date the report is due
5 to the commissioner. Each learning community coordinating council
6 shall annually report to the commissioner in such detail and on
7 such date as required by the commissioner the number of students
8 who have dropped out of school or were for any reason suspended,
9 ~~expelled,~~ or ~~excluded from school during the year~~ for all of the
10 member school districts. The due date for reports from learning
11 communities shall be established by the commissioner to provide a
12 reasonable period of time for the learning community coordinating
13 councils to compile the information from the member school district
14 reports.

15 (2) The superintendent or head administrator of a public
16 school district or a nonpublic school system shall report on a
17 monthly basis to the Commissioner of Education as directed by the
18 commissioner regarding the number of and reason for any long-term
19 suspension, expulsion, or excessive absenteeism of a student;
20 referral of a student to the office of the county attorney for
21 excessive absenteeism; or contacting of law enforcement officials,
22 other than law enforcement officials employed by or contracted
23 with the school district as school resource officers, by the
24 district or system relative to a student enrolled in the district
25 or system. The State Department of Education shall provide each
26 learning community coordinating council with a copy of such reports
27 from school districts that are members of the learning community

1 promptly after the reports are filed with the commissioner.

2 Sec. 8. Section 79-1036, Reissue Revised Statutes of
3 Nebraska, is amended to read:

4 79-1036 (1) In making the apportionment under section
5 79-1035, the Commissioner of Education shall distribute from the
6 school fund for school purposes, to any and all school districts
7 and any learning communities in which there are situated school
8 lands which have not been sold and transferred by deed or saline
9 lands owned by the state, which lands are being used for a public
10 purpose, an amount in lieu of tax money that would be raised by
11 levies for which the proceeds would be distributed to one or more
12 school districts if such lands were taxable, to be ascertained in
13 accordance with subsection (2) of this section, except that:

14 (a) For Class I districts or portions thereof which
15 are affiliated and in which there are situated school or saline
16 lands, 38.6207 percent of the in lieu of land tax money calculated
17 pursuant to subsection (2) of this section, based on the affiliated
18 school system tax levy computed pursuant to section 79-1077, shall
19 be distributed to the affiliated high school district and the
20 remainder shall be distributed to the Class I district;

21 (b) For Class I districts or portions thereof which are
22 part of a Class VI district which offers instruction in grades nine
23 through twelve and in which there are situated school or saline
24 lands, 38.6207 percent of the in lieu of land tax money calculated
25 pursuant to subsection (2) of this section, based on the Class VI
26 school system levy computed pursuant to section 79-1078, shall be
27 distributed to the Class VI district and the remainder shall be

1 distributed to the Class I district;

2 (c) For Class I districts or portions thereof which are
3 part of a Class VI district which offers instruction in grades
4 seven through twelve and in which there are situated school or
5 saline lands, 55.1724 percent of the in lieu of land tax money
6 calculated pursuant to subsection (2) of this section, based on the
7 Class VI school system levy computed pursuant to section 79-1078,
8 shall be distributed to the Class VI district and the remainder
9 shall be distributed to the Class I district; and

10 (d) For Class I districts or portions thereof which are
11 part of a Class VI district which offers instruction in grades six
12 through twelve and in which there are situated school or saline
13 lands, 62.0690 percent of the in lieu of land tax money calculated
14 pursuant to subsection (2) of this section, based on the Class VI
15 school system levy computed pursuant to section 79-1078, shall be
16 distributed to the Class VI district and the remainder shall be
17 distributed to the Class I district.

18 (2) The county assessor shall certify to the Commissioner
19 of Education the tax levy ~~for school purposes~~ of each school
20 district and learning community in which school land or saline
21 land is located and the last appraised value of such school land,
22 which value shall be the same percentage of the appraised value
23 as the percentage of the assessed value is of market value in
24 subsection (2) of section 77-201 for the purpose of applying the
25 applicable tax levy for each district and learning community in
26 determining the distribution to the districts of such amounts. The
27 school board of any school district and the learning community

1 coordinating council of any learning community in which there is
2 located any leased or undeeded school land or saline land subject
3 to this section may appeal to the Board of Educational Lands and
4 Funds for a reappraisalment of such school land if such school
5 board or learning community coordinating council deems the land
6 not appraised in proportion to the value of adjoining land of the
7 same or similar value. The Board of Educational Lands and Funds
8 shall proceed to investigate the facts involved in such appeal
9 and, if the contention of the school board or learning community
10 coordinating council is correct, make the proper reappraisalment.
11 The value calculation in this subsection shall be used by the
12 Commissioner of Education for making distributions in each school
13 fiscal year.

14 Sec. 9. Section 79-1073, Revised Statutes Supplement,
15 2009, is amended to read:

16 79-1073 On or before September 1 for each year, each
17 learning community coordinating council shall determine the
18 expected amounts to be distributed by the county treasurers to
19 each member school district from general fund property tax receipts
20 pursuant to subdivision (2) (b) of section 77-3442 and shall certify
21 such amounts to each member school district, the county treasurer
22 for each county containing territory in the learning community,
23 and the State Department of Education. Such property tax receipts
24 shall be divided among member school districts proportionally based
25 on the difference of the school district's formula need calculated
26 pursuant to section 79-1007.11 minus the sum of the state aid
27 certified pursuant to section 79-1022 and the other actual receipts

1 included in local system formula resources pursuant to section
2 79-1018.01 for the school fiscal year for which the distribution
3 is being made.

4 Each time the county treasurer distributes property tax
5 receipts from the common general fund levy to member school
6 districts, the amount to be distributed to each district shall
7 be proportional based on the total amounts to be distributed to
8 each member school district for the school fiscal year. Each time
9 the county treasurer certifies a property tax refund pursuant to
10 section 77-1736.06 based on the common general fund levy for member
11 school districts or any entity issues an in lieu of property tax
12 reimbursement based on the common general fund levy for member
13 school districts, the amount to be certified or reimbursed to each
14 district shall be proportional on the same basis as property tax
15 receipts from such levy are distributed to member school districts.

16 Sec. 10. Section 79-1073.01, Revised Statutes Supplement,
17 2009, is amended to read:

18 79-1073.01 Amounts levied by learning communities for
19 special building funds for member school districts pursuant to
20 subdivision (2)(g) of section 77-3442 shall be distributed by the
21 county treasurer collecting such levy proceeds to all member school
22 districts proportionally based on the formula students used in the
23 most recent certification of state aid pursuant to section 79-1022.
24 Each time the county treasurer certifies a property tax refund
25 pursuant to section 77-1736.06 based on the levy of a learning
26 community for special building funds for members school districts
27 or any entity issues an in lieu of property tax reimbursement

1 based on the levy of a learning community for special building
2 funds for member school districts, the amount to be certified or
3 reimbursed to each district shall be proportional on the same basis
4 as property tax receipts from such levy are distributed to member
5 school districts.

6 Any amounts distributed pursuant to this section shall be
7 used by the member school districts for special building funds.

8 Sec. 11. Section 79-1241.03, Revised Statutes Supplement,
9 2009, is amended to read:

10 79-1241.03 ~~For school fiscal year 2008-09 and each school~~
11 ~~fiscal year thereafter.~~

12 (1) ~~One~~ Two percent of the funds appropriated for core
13 services and technology infrastructure shall be transferred to
14 the Educational Service Unit Coordinating Council. The remainder
15 of such funds shall be distributed pursuant to ~~subdivisions~~
16 subsections (2) through (6) of this section. ~~+~~

17 (2)(a) The distance education and telecommunications
18 allowance for each educational service unit shall equal eighty-five
19 percent of the difference of the costs for telecommunications
20 services, for access to data transmission networks that transmit
21 data to and from the educational service unit, and for the
22 transmission of data on such networks paid by the educational
23 service unit as reported on the annual financial report for the
24 most recently available complete data year minus the receipts from
25 the federal Universal Service Fund pursuant to 47 U.S.C. 254,
26 as such section existed on January 1, 2007, for the educational
27 service unit as reported on the annual financial report for the

1 most recently available complete data year and minus any receipts
2 from school districts or other educational entities for payment
3 of such costs as reported on the annual financial report of the
4 educational service unit.

5 (b) The base allocation of each educational service unit
6 shall equal two and one-half percent of the funds appropriated for
7 distribution pursuant to this section.

8 (c) The satellite office allocation for each educational
9 service unit shall equal one percent of the funds appropriated
10 for distribution pursuant to this section for each office of
11 the educational service unit, except the educational service unit
12 headquarters, up to the maximum number of satellite offices. The
13 maximum number of satellite offices used for the calculation of
14 the satellite office allocation for any educational service unit
15 shall equal the difference of the ratio of the number of square
16 miles within the boundaries of the educational service unit divided
17 by four thousand minus one with the result rounded to the closest
18 whole number.

19 (d) The statewide adjusted valuation shall equal the
20 total adjusted valuation for all member districts of educational
21 service units pursuant to section 79-1016 used for the calculation
22 of state aid for school districts pursuant to the Tax Equity and
23 Educational Opportunities Support Act for the school fiscal year
24 for which the distribution is being calculated pursuant to this
25 section.

26 (e) The adjusted valuation for each educational service
27 unit shall equal the total adjusted valuation of the member school

1 districts pursuant to section 79-1016 used for the calculation of
2 state aid for school districts pursuant to the act for the school
3 fiscal year for which the distribution is being calculated pursuant
4 to this section, except that such adjusted valuation for member
5 school districts that are also member districts of a learning
6 community shall be reduced by ~~fifty percent.~~ fifty percent for
7 school fiscal years 2008-09 and 2009-10, thirty percent for school
8 fiscal year 2010-11, and ten percent for each school fiscal year
9 thereafter. The adjusted valuation for each learning community
10 shall equal fifty percent, for school fiscal years 2008-09 and
11 2009-10, thirty percent, for school fiscal year 2010-11, and ten
12 percent, for each school fiscal year thereafter, of the total
13 adjusted valuation of the member school districts pursuant to
14 section 79-1016 used for the calculation of state aid for school
15 districts pursuant to the act for the school fiscal year for which
16 the distribution is being calculated pursuant to this section.†

17 (f) The local effort rate shall equal \$0.0135 per one
18 hundred dollars of adjusted valuation.†

19 (g) ~~Except as provided in subdivision (5) of this~~
20 ~~section, the~~ The statewide student allocation shall equal the
21 difference of the sum of the amount appropriated for distribution
22 pursuant to this section plus the product of the statewide adjusted
23 valuation multiplied by the local effort rate minus the distance
24 education and telecommunications allowance, base allocation, and
25 satellite office allocation for all educational service units,† and
26 minus any adjustments required by subsection (5) of this section.

27 (h) The sparsity adjustment for each educational service

1 unit and learning community shall equal the sum of one plus
2 one-tenth of the ratio of the square miles within the boundaries
3 of the educational service unit divided by the fall membership of
4 the member school districts for the school fiscal year immediately
5 preceding the school fiscal year for which the distribution is
6 being calculated pursuant to this section.†

7 (i) The adjusted students for each educational service
8 unit shall equal the fall membership for the school fiscal year
9 immediately preceding the school fiscal year for which aid is
10 being calculated of the member school districts that will not
11 be members of a learning community and fifty percent, for school
12 fiscal years 2008-09 and 2009-10, seventy percent, for school
13 fiscal year 2010-11, and ninety percent, for each school fiscal
14 year thereafter, of the fall membership for such school fiscal year
15 of the member school districts that will be members of a learning
16 community pursuant to this section multiplied by the sparsity
17 adjustment for the educational service unit, and the adjusted
18 students for each learning community shall equal fifty percent, for
19 school fiscal years 2008-09 and 2009-10, thirty percent, for school
20 fiscal year 2010-11, and ten percent, for each school fiscal year
21 thereafter, of the fall membership for such school fiscal year of
22 the member school districts multiplied by the sparsity adjustment
23 for the learning community.†

24 (j) The per student allocation shall equal the statewide
25 student allocation divided by the total adjusted students for all
26 educational service units and learning communities.†

27 (k) The student allocation for each educational service

1 unit and learning community shall equal the per student allocation
2 multiplied by the adjusted students for the educational service
3 unit or learning community.†

4 (1) The needs for each educational service unit shall
5 equal the sum of the distance education and telecommunications
6 allowance, base allocation, satellite office allocation, and
7 student allocation for the educational service unit and the needs
8 for each learning community shall equal the student allocation for
9 the learning community.† and

10 (m) The distribution of core services and technology
11 infrastructure funds for each educational service unit and learning
12 community shall equal the needs for each educational service unit
13 or learning community minus the product of the adjusted valuation
14 for the educational service unit or learning community multiplied
15 by the local effort rate.†

16 (3) If an educational service unit is the result of
17 a merger or received new member school districts from another
18 educational service unit, ~~such~~ the educational service unit shall
19 be considered a new educational service unit for purposes of this
20 section. For each new educational service unit, the needs minus
21 the distance education and telecommunications allowance for such
22 new educational service unit shall, for each of the three fiscal
23 years following the fiscal year in which the merger takes place or
24 the new member school districts are received, receive core services
25 and technology infrastructure funds pursuant to subdivisions (2)
26 through (6) of this section in equal an amount not less than
27 the core services and technology infrastructure funds received

1 ~~in~~ needs minus the distance education and telecommunications
2 allowance for the portions of the educational service units
3 transferred to the new educational service unit for the fiscal
4 year immediately preceding the merger or receipt of new member
5 school districts, except that if the total amount available to be
6 distributed pursuant to ~~subdivisions~~ subsections (2) through (6)
7 of this section for ~~such year~~ the year for which needs are being
8 calculated is less than the total amount distributed pursuant
9 to such ~~subdivisions~~ or section 79-1243 for the ~~immediately~~
10 ~~preceding fiscal year,~~ the minimum core services and technology
11 ~~infrastructure funds~~ subsections for the fiscal year immediately
12 preceding the merger or receipt of new member school districts, the
13 minimum needs minus the distance education and telecommunications
14 allowance for each educational service unit pursuant to this
15 ~~subdivision~~ subsection shall be reduced by a percentage equal
16 to the ratio of the difference of the total amount distributed
17 pursuant to ~~subdivisions (2) through (6)~~ of this section ~~or section~~
18 ~~79-1243~~ for the ~~immediately preceding fiscal year~~ minus the total
19 amount available to be distributed pursuant to ~~subdivisions (2)~~
20 ~~through (6)~~ of this section for the fiscal year in question
21 such difference divided by the total amount distributed pursuant
22 to ~~subdivisions~~ subsections (2) through (6) of this section ~~or~~
23 ~~section 79-1243~~ for the ~~immediately preceding fiscal year~~. The core
24 ~~services and technology infrastructure funds received in~~ for the
25 fiscal year immediately preceding the merger or receipt of new
26 member school districts. The needs minus the distance education
27 and telecommunications allowance for the portions of educational

1 service units transferred to the new educational service unit
2 for the fiscal year immediately preceding a merger or receipt
3 of new member school districts ~~for an educational service unit~~
4 shall equal the amount received in needs minus the distance
5 education and telecommunications allowance calculated for such
6 fiscal year pursuant to ~~subdivisions~~ subsections (2) through (6)
7 of this section ~~or section 79-1243~~ by for any educational service
8 unit affected by the merger or the transfer of school districts
9 multiplied by a ratio equal to the valuation that was transferred
10 to ~~or retained by~~ the new educational service unit for which the
11 minimum is being calculated divided by the total valuation of the
12 educational service unit transferring ~~or retaining~~ the territory.†

13 (4) For fiscal years ~~2008-09~~ 2010-11 through 2013-14,
14 each educational service unit which will not have any member
15 school districts that are members of a learning community shall
16 receive core services and technology infrastructure funds under
17 this section in an amount not less than ninety-five percent of
18 the total of the core services and technology infrastructure funds
19 that the educational service unit received in the immediately
20 preceding fiscal year either pursuant to ~~subdivisions (2) through~~
21 ~~(6)~~ of this section ~~or pursuant to section 79-1243,~~ have needs
22 minus the distance education and telecommunications allowance
23 equal to an amount not less than ninety-five percent of the
24 needs minus the distance education and telecommunications allowance
25 for the immediately preceding fiscal year, except that if the
26 total amount available to be distributed pursuant to ~~subdivisions~~
27 subsections (2) through (6) of this section for ~~such year~~ the

1 year for which needs are being calculated is less than the
2 total amount distributed pursuant to such ~~subdivisions or section~~
3 ~~79-1243~~ subsections for the immediately preceding fiscal year,
4 the minimum core services and technology infrastructure funds
5 needs minus the distance education and telecommunications allowance
6 for each educational service unit pursuant to this ~~subdivision~~
7 subsection shall be reduced by a percentage equal to the ratio
8 of the difference of the total amount distributed pursuant to
9 ~~subdivisions (2) through (6) of this section or section 79-1243~~
10 ~~for the immediately preceding fiscal year minus the total amount~~
11 ~~available to be distributed pursuant to subdivisions (2) through~~
12 ~~(6) of this section for the fiscal year in question~~ such difference
13 divided by the total amount distributed pursuant to ~~subdivisions~~
14 subsections (2) through (6) of this section, ~~or section 79-1243 for~~
15 ~~the immediately preceding fiscal year;~~

16 (5) If the minimum core services and technology
17 infrastructure funds pursuant to ~~subdivision~~ needs minus the
18 distance education and telecommunications allowance pursuant to
19 subsection (3) or (4) of this section for any educational service
20 unit ~~exceed~~ exceeds the amount that would otherwise be distributed
21 ~~to~~ calculated for such educational service unit pursuant to
22 ~~subdivision~~ subsection (2) of this section, the statewide student
23 allocation shall be reduced such that the total amount to be
24 distributed pursuant to this section equals the appropriation
25 for core services and technology infrastructure funds and no
26 educational service unit ~~receives~~ has needs minus the distance
27 education and telecommunications allowance less than the greater of

1 any minimum amounts calculated for such educational service unit
2 pursuant to ~~subdivisions~~ subsections (3) and (4) of this section,
3 and

4 (6) The State Department of Education shall certify the
5 distribution of core services and technology infrastructure funds
6 pursuant to ~~subdivisions~~ subsections (2) through (6) of this
7 section to each educational service unit and learning community
8 on or before July 1, 2008, for school fiscal year 2008-09 and on
9 or before July 1 of each year thereafter of each year for the
10 following school fiscal year. Any Except as otherwise provided in
11 this subsection, any funds appropriated for distribution pursuant
12 to this section shall be distributed in ten as nearly as possible
13 equal payments on the first business day of each month beginning
14 in September of each school fiscal year and ending in June. Funds
15 to be distributed to a learning community in school fiscal year
16 2010-11 shall be distributed in ten payments on the first business
17 day of each month beginning in September 2010 and ending in June
18 2011, with each of the first five payments equal as nearly as
19 possible to seventeen percent of the amount to be distributed and
20 with each of the last five payments equal as nearly as possible to
21 three percent of the amount to be distributed. Funds distributed
22 to educational service units pursuant to this section shall be
23 used for core services and technology infrastructure with the
24 approval of representatives of two-thirds of the member school
25 districts of the educational service unit, representing a majority
26 of the adjusted students in the member school districts used in
27 calculations pursuant to this section for such funds. The valuation

1 of individual school districts shall not be considered in the
2 utilization of such core services or technology infrastructure
3 funds by member school districts for funds received after July
4 1, 2010. Funds distributed to learning communities on or before
5 January 15, 2011, shall be used for learning community purposes
6 pursuant to sections 79-2104 and 79-2115, with the approval of
7 the learning community coordinating council. Funds distributed to
8 learning communities after January 15, 2011, shall be used for
9 evaluation and research pursuant to section 17 of the act with the
10 approval of the learning community coordinating council.

11 (7) For purposes of this section, the determination
12 of whether or not a school district will be a member of an
13 educational service unit or a learning community shall be based on
14 the information available May 1 for the following school fiscal
15 year.

16 Sec. 13. Section 79-2104, Revised Statutes Supplement,
17 2009, is amended to read:

18 79-2104 A learning community coordinating council shall
19 have the authority to:

20 (1) Levy a common levy for the general funds of member
21 school districts pursuant to sections 77-3442 and 79-1073;

22 (2) Levy a common levy for the special building funds
23 of member school districts pursuant to sections 77-3442 and
24 79-1073.01;

25 (3) Levy for elementary learning center facility leases,
26 for remodeling of leased elementary learning center facilities, and
27 for up to fifty percent of the estimated cost for focus school

1 or program capital projects approved by the learning community
2 coordinating council pursuant to ~~sections~~ subdivision (2) (h) of
3 section 77-3442 and section 79-2111;

4 (4) Levy for elementary learning center employees, for
5 contracts with other entities or individuals who are not employees
6 of the learning community for elementary learning center programs
7 and services, and for pilot projects pursuant to subdivision (2) (i)
8 of section 77-3442.

9 ~~(4)~~ (5) Collect, analyze, and report data and
10 information, including, but not limited to, information provided by
11 a school district pursuant to subsection (5) of section 79-201;

12 ~~(5)~~ (6) Approve focus schools and focus programs to be
13 operated by member school districts;

14 ~~(6)~~ (7) Adopt, approve, and implement a diversity plan
15 which shall include open enrollment and may include focus schools,
16 focus programs, magnet schools, and pathways pursuant to section
17 79-2110;

18 ~~(7)~~ (8) Administer the open enrollment provisions in
19 section 79-2110 for the learning community as part of a diversity
20 plan developed by the council to provide educational opportunities
21 which will result in increased diversity in schools across the
22 learning community;

23 ~~(8)~~ (9) Annually conduct school fairs to provide
24 students and parents the opportunity to explore the educational
25 opportunities available at each school in the learning community
26 and develop other methods for encouraging access to such
27 information and promotional materials;

1 ~~(9)~~ (10) Develop and approve reorganization plans for
2 submission pursuant to the Learning Community Reorganization Act;

3 ~~(10)~~ (11) Establish and administer elementary learning
4 centers through achievement subcouncils pursuant to sections
5 79-2112 to 79-2114;

6 ~~(11)~~ (12) Administer the learning community funds
7 distributed to the learning community pursuant to section 79-2111;

8 ~~(12)~~ (13) Approve or disapprove poverty plans and limited
9 English proficiency plans for member school districts through
10 achievement subcouncils established under section 79-2117;

11 ~~(13)~~ (14) Establish a procedure for receiving community
12 input and complaints regarding the learning community; ~~and~~

13 ~~(14)~~ (15) Establish a procedure to assist parents,
14 citizens, and member school districts in accessing an approved
15 center pursuant to the Dispute Resolution Act to resolve disputes
16 involving member school districts or the learning community. Such
17 procedure may include payment by the learning community for some
18 mediation services; ~~and-~~

19 (16) Establish and administer pilot projects related
20 to enhancing the academic achievement of elementary students,
21 particularly students who face challenges in the educational
22 environment due to factors such as poverty, limited English skills,
23 and mobility.

24 Sec. 15. Section 79-2111, Reissue Revised Statutes of
25 Nebraska, is amended to read:

26 79-2111 (1) A learning community may levy a maximum
27 levy pursuant to subdivision (2)(h) of section 77-3442 for ~~the~~

1 ~~purchase, construction, or remodeling~~ of elementary learning center
2 facility leases, for remodeling of leased elementary learning
3 center facilities, and for up to fifty percent of the estimated
4 costs for focus school or program capital projects approved
5 pursuant to this section. The proceeds from such levy shall be
6 used for elementary learning center facility leases, for remodeling
7 of leased elementary learning center facilities, and ~~for one-time~~
8 ~~reductions of~~ to reduce the bonded indebtedness required for
9 approved projects by up to fifty percent of the estimated cost
10 of the approved project. The funds used for reductions of bonded
11 indebtedness shall be transferred to the school district for which
12 the project was approved and shall be deposited in such school
13 district's special building fund for use on such project.

14 (2) The learning community may approve pursuant to this
15 section funding for capital projects which will include the
16 purchase, construction, or remodeling of facilities for a focus
17 school or program designed to meet the requirements of section
18 79-769. Such approval shall include an estimated cost for the
19 project and shall state the amount that will be provided by the
20 learning community for such project.

21 (3) If, within the ten years following receipt of the
22 funding for a capital project pursuant to this section, a school
23 district receiving such funding uses the facility purchased,
24 constructed, or remodeled with such funding for purposes other
25 than those stated to qualify for the funds, the school district
26 shall repay such funds to the learning community with interest at
27 the rate prescribed in section 45-104.02 accruing from the date

1 the funds were transferred to the school district's building fund
2 as of the last date the facility was used for such purpose as
3 determined by the learning community coordinating council or the
4 date that the learning community coordinating council determines
5 that the facility will not be used for such purpose or that
6 such facility will not be purchased, constructed, or remodeled
7 for such purpose. Interest shall continue to accrue on outstanding
8 balances until the repayment has been completed. The remaining
9 terms of repayment shall be determined by the learning community
10 coordinating council. The learning community coordinating council
11 may waive such repayment if the facility is used for a different
12 focus school or program for a period of time that will result in
13 the use of the facility for qualifying purposes for a total of at
14 least ten years.

15 Sec. 17. Each learning community coordinating council
16 shall use any funds received after January 15, 2011, pursuant
17 to section 79-1241.03 for evaluation and research pursuant to
18 plans developed by the learning community coordinating council
19 with assistance from the educational service unit coordinating
20 council and the student achievement coordinator and adjusted on
21 an ongoing basis. The evaluation shall be conducted by one or
22 more other entities or individuals who are not employees of
23 the learning community and shall measure progress toward the
24 goals and objectives of the learning community, which goals and
25 objectives shall include closing academic achievement gaps based on
26 socioeconomic status, and the effectiveness of the approaches used
27 by the learning community or pilot project to reach such goals and

1 objectives. Any research conducted pursuant to this section shall
2 also be related to such goals and objectives. After the first full
3 year of operation, each learning community shall report evaluation
4 and research results to the Education Committee of the Legislature
5 on or before December 1 of each year.

6 Sec. 18. Section 79-2115, Reissue Revised Statutes of
7 Nebraska, is amended to read:

8 79-2115 (1) Learning community funds distributed pursuant
9 to section 79-2103 may be used by the learning community
10 coordinating council receiving the funds for:

11 (a) The administration and operation of the learning
12 community;

13 (b) The administration, ~~operations,~~ and ~~programs~~ of
14 elementary learning centers pursuant to sections 79-2112 to
15 79-2114;

16 (c) Supplements for extended hours to teachers in
17 elementary schools in which at least thirty-five percent of the
18 students attending the school who reside in the attendance area of
19 such school qualify for free or reduced-price lunches;

20 (d) Transportation for parents of elementary students who
21 qualify for free or reduced-price lunches to school functions of
22 such students in elementary schools; and

23 (e) Up to six social workers to provide services through
24 the elementary learning centers, ~~and~~

25 ~~(f) Pilot projects related to enhancing the academic~~
26 ~~achievement of elementary students, particularly students who face~~
27 ~~challenges in the educational environment due to factors such as~~

1 ~~poverty, limited English skills, and mobility.~~

2 (2) Each learning community coordinating council shall
3 adopt policies and procedures for granting supplements for extended
4 hours and for providing transportation for parents if any such
5 funds are to be used for such purposes. An example of a pilot
6 project that could receive such funds would be a school designated
7 as Jump Start Center focused on providing intensive literacy
8 services for elementary students with low reading scores.

9 (3) A Each learning community coordinating council shall
10 provide for financial audits ~~and evaluations of effectiveness of~~
11 elementary learning centers and pilot projects. ~~receiving funds~~
12 ~~pursuant to this section.~~ A learning community coordinating council
13 shall serve as the recipient of private funds donated to support
14 any elementary learning center or pilot project receiving funds
15 ~~pursuant to this section~~ from such learning community coordinating
16 council and shall assure that the use of such private funds is
17 included in the financial audits required pursuant to this section.

18 2. On page 18, strike beginning with "For" in line 20
19 through the underscored period in line 24 and show the old matter
20 as stricken.

21 3. On page 42, line 11, strike "12" and insert "17".

22 4. Amend the repealer, correct internal references, and
23 renumber the remaining sections accordingly.