

LEGISLATURE OF NEBRASKA  
ONE HUNDRED SECOND LEGISLATURE  
FIRST SESSION  
**LEGISLATIVE BILL 531**

Introduced by Fulton, 29.

Read first time January 18, 2011

Committee: Education

A BILL

1 FOR AN ACT relating to school districts; to amend section 79-1083.01,  
2 Reissue Revised Statutes of Nebraska, and section  
3 79-1027, Revised Statutes Cumulative Supplement, 2010; to  
4 change provisions relating to budget reserves; to change  
5 provisions relating to classroom expenditures; and to  
6 repeal the original sections.

7 Be it enacted by the people of the State of Nebraska,

1           Section 1. Section 79-1027, Revised Statutes Cumulative  
 2 Supplement, 2010, is amended to read:

3           79-1027 No district shall adopt a budget, which includes  
 4 total requirements of depreciation funds, necessary employee benefit  
 5 fund cash reserves, and necessary general fund cash reserves,  
 6 exceeding the applicable allowable reserve percentages of total  
 7 general fund budget of expenditures as specified in the schedule set  
 8 forth in this section.

9	<del>Average daily</del>	<del>Allowable</del>
10	<del>membership of</del>	<del>reserve</del>
11	<del>district</del>	<del>percentage</del>
12	<del>0 — 471</del>	<del>45</del>
13	<del>471.01 — 3,044</del>	<del>35</del>
14	<del>3,044.01 — 10,000</del>	<del>25</del>
15	<del>10,000.01 and over</del>	<del>20</del>
16	<u>Average daily</u>	<u>Allowable</u>
17	<u>membership of</u>	<u>reserve</u>
18	<u>district</u>	<u>percentage</u>
19	<u>0 - 471</u>	<u>30</u>
20	<u>471.01 - 3,044</u>	<u>25</u>
21	<u>3,044.01 - 10,000</u>	<u>15</u>
22	<u>10,000.01 and over</u>	<u>15</u>

23           On or before March 10, 2010, on or before April 1, 2011,

1 and on or before March 1 each year thereafter, the department shall  
2 determine and certify each district's applicable allowable reserve  
3 percentage.

4           Each district with combined necessary general fund cash  
5 reserves, total requirements of depreciation funds, and necessary  
6 employee benefit fund cash reserves less than the applicable  
7 allowable reserve percentage specified in this section may,  
8 notwithstanding the district's applicable allowable growth rate,  
9 increase its necessary general fund cash reserves such that the total  
10 necessary general fund cash reserves, total requirements of  
11 depreciation funds, and necessary employee benefit fund cash reserves  
12 do not exceed such applicable allowable reserve percentage.

13           Sec. 2. Section 79-1083.01, Reissue Revised Statutes of  
14 Nebraska, is amended to read:

15           79-1083.01 ~~It is the intent of the Legislature that any~~  
16 Any reductions in a school district budget, made to comply with the  
17 budget limitation in the Tax Equity and Educational Opportunities  
18 Support Act, shall affect classroom expenses only as a last resort.

19           Sec. 3. Original section 79-1083.01, Reissue Revised  
20 Statutes of Nebraska, and section 79-1027, Revised Statutes  
21 Cumulative Supplement, 2010, are repealed.