

LEGISLATURE OF NEBRASKA  
ONE HUNDRED EIGHTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 1348**

Introduced by Murman, 38.

Read first time January 17, 2024

Committee: Education

1 A BILL FOR AN ACT relating to the Tax Equity and Educational  
2 Opportunities Support Act; to amend section 79-1007.16, Reissue  
3 Revised Statutes of Nebraska; to change provisions relating to  
4 comparison groups for purposes of calculating basic funding under  
5 the act; and to repeal the original section.  
6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 79-1007.16, Reissue Revised Statutes of Nebraska,  
2 is amended to read:

3 79-1007.16 (1) The department shall calculate basic funding for each  
4 district as provided in this section.

5 (2) For state aid calculated for school fiscal years prior to school  
6 fiscal year 2011-12:

7 (a) A comparison group shall be established for each district  
8 consisting of the districts for which basic funding is being calculated,  
9 the five larger districts that are closest in size to the district for  
10 which basic funding is being calculated as measured by formula students,  
11 and the five smaller districts that are closest in size to the district  
12 for which basic funding is being calculated as measured by formula  
13 students. If there are not five districts that are larger than the  
14 district for which basic funding is being calculated or if there are not  
15 five districts that are smaller than the district for which basic funding  
16 is being calculated, the comparison group shall consist of only as many  
17 districts as fit the criteria. If more than one district has exactly the  
18 same number of formula students as the largest or smallest district in  
19 the comparison group, all of the districts with exactly the same number  
20 of formula students as the largest or smallest districts in the  
21 comparison group shall be included in the comparison group. If one or  
22 more districts have exactly the same number of formula students as the  
23 district for which basic funding is being calculated, all such districts  
24 shall be included in the comparison group in addition to the five larger  
25 districts and the five smaller districts. The comparison group shall  
26 remain the same for the final calculation of aid pursuant to section  
27 79-1065;

28 (b) For districts with nine hundred or more formula students, basic  
29 funding shall equal the formula students multiplied by the average of the  
30 adjusted general fund operating expenditures per formula student for each  
31 district in the comparison group, excluding both the district with the

1 highest adjusted general fund operating expenditures per formula student  
2 and the district with the lowest adjusted general fund operating  
3 expenditures per formula student of the districts in the comparison  
4 group; and

5 (c) For districts with fewer than nine hundred formula students,  
6 basic funding shall equal the product of the average of the adjusted  
7 general fund operating expenditures for each district in the comparison  
8 group, excluding both the district with the highest adjusted general fund  
9 operating expenditures and the district with the lowest adjusted general  
10 fund operating expenditures of the districts in the comparison group.

11 (3) For state aid calculated for school fiscal year 2011-12 and each  
12 school fiscal year thereafter:

13 (a) A comparison group shall be established for each district  
14 consisting of the districts for which basic funding is being calculated,  
15 the ten larger districts that are closest in size to the district for  
16 which basic funding is being calculated as measured by formula students,  
17 and the ten smaller districts that are closest in size to the district  
18 for which basic funding is being calculated as measured by formula  
19 students. If there are not ten districts that are larger than the  
20 district for which basic funding is being calculated or if there are not  
21 ten districts that are smaller than the district for which basic funding  
22 is being calculated, the comparison group shall consist of only as many  
23 districts as fit the criteria. If more than one district has exactly the  
24 same number of formula students as the largest or smallest district in  
25 the comparison group, all of the districts with exactly the same number  
26 of formula students as the largest or smallest districts in the  
27 comparison group shall be included in the comparison group. If one or  
28 more districts have exactly the same number of formula students as the  
29 district for which basic funding is being calculated, all such districts  
30 shall be included in the comparison group in addition to the ten larger  
31 districts and the ten smaller districts. The comparison group shall

1 remain the same for the final calculation of aid pursuant to section  
2 79-1065;

3 (b) For districts with nine hundred or more formula students, basic  
4 funding shall equal the formula students multiplied by the average of the  
5 adjusted general fund operating expenditures per formula student for each  
6 district in the comparison group, excluding both the two districts with  
7 the highest adjusted general fund operating expenditures per formula  
8 student and the two districts with the lowest adjusted general fund  
9 operating expenditures per formula student of the districts in the  
10 comparison group;~~and~~

11 (c) For districts with fewer than nine hundred formula students,  
12 basic funding shall equal the product of the average of the adjusted  
13 general fund operating expenditures for each district in the comparison  
14 group, excluding both the two districts with the highest adjusted general  
15 fund operating expenditures and the two districts with the lowest  
16 adjusted general fund operating expenditures of the districts in the  
17 comparison group; and -

18 (d) Beginning with school fiscal year 2025-26 and each school fiscal  
19 year thereafter, as part of establishing comparison groups for purposes  
20 of determining basic funding under this subsection, in addition to the  
21 size comparison measured by formula students pursuant to subdivision (a)  
22 of this subsection, comparable district assessed property valuations  
23 shall be considered in the formula for establishing comparison groups  
24 under this subsection. Such comparison groups shall not include districts  
25 that have more than double or less than one-half the assessed property  
26 valuations of the district for which the basic funding is being  
27 calculated.

28 Sec. 2. Original section 79-1007.16, Reissue Revised Statutes of  
29 Nebraska, is repealed.