

LEGISLATURE OF NEBRASKA
ONE HUNDREDTH LEGISLATURE
FIRST SESSION
LEGISLATIVE BILL 582

Introduced by Preister, 5

Read first time January 17, 2007

Committee: Revenue

A BILL

1 FOR AN ACT relating to education; to amend section 77-27,132,
2 Revised Statutes Cumulative Supplement, 2006; to create
3 the Nebraska Educational Trust and provide for its use;
4 to change distribution of sales tax proceeds; to provide
5 an operative date; to repeal the original section; and to
6 declare an emergency.
7 Be it enacted by the people of the State of Nebraska,

1 Section 1. (1) The Legislature finds that the future
2 economic growth of Nebraska depends primarily on the knowledge and
3 skills of its citizens. High quality public schools are essential
4 to developing the educational level of the workforce needed for a
5 productive and competitive economy.

6 (2) The Nebraska Educational Trust for Economic Growth
7 is created. The purpose of the trust is to provide funds for the
8 support of high quality public schools. The proceeds from the sales
9 and use tax on Internet sales shall be dedicated and appropriated
10 by the Legislature to the trust.

11 (3) Money in the trust may be appropriated by the
12 Legislature to the State Department of Education for the following
13 purposes when the trust balance reaches twenty-five million
14 dollars:

15 (a) Grants for workforce training programs coordinated
16 by industry, secondary schools, and postsecondary educational
17 institutions;

18 (b) Early childhood education teacher student loan
19 forgiveness;

20 (c) Research and development grants to establish teacher
21 salary incentives and alternative teacher salary schedules as
22 agreed to by school boards and local educational associations;

23 (d) Targeted equalization aid for teacher salary equity;
24 or

25 (e) Replacement of state aid to schools occurring as a

1 result of lower than projected state revenue.

2 (4) Any money in the trust available for investment
3 shall be invested by the state investment officer pursuant to
4 the Nebraska Capital Expansion Act and the Nebraska State Funds
5 Investment Act.

6 Sec. 2. Section 77-27,132, Revised Statutes Cumulative
7 Supplement, 2006, is amended to read:

8 77-27,132 (1) There is hereby created a fund to be
9 designated the Revenue Distribution Fund which shall be set apart
10 and maintained by the Tax Commissioner. Revenue not required to be
11 credited to the General Fund or any other specified fund may be
12 credited to the Revenue Distribution Fund. Credits and refunds of
13 such revenue shall be paid from the Revenue Distribution Fund. The
14 balance of the amount credited, after credits and refunds, shall be
15 allocated as provided by the statutes creating such revenue.

16 (2) The Tax Commissioner shall pay to a depository bank
17 designated by the State Treasurer all amounts collected under the
18 Nebraska Revenue Act of 1967. The Tax Commissioner shall present
19 to the State Treasurer bank receipts showing amounts so deposited
20 in the bank, and of the amounts so deposited the State Treasurer
21 shall credit to the Highway Trust Fund all of the proceeds of
22 the sales and use taxes derived from motor vehicles, trailers,
23 and semitrailers, except that the proceeds equal to any sales tax
24 rate provided for in section 77-2701.02 that is in excess of five
25 percent derived from motor vehicles, trailers, and semitrailers

1 shall be credited to the Highway Allocation Fund, and shall credit
2 to the Nebraska Educational Trust for Economic Growth all of the
3 proceeds of the sales and use taxes derived from sellers who
4 register through the electronic central registration system of
5 the Streamlined Sales Tax Governing Board, Inc., except that the
6 proceeds derived from sellers who have a requirement to register in
7 this state under the provisions of the streamlined sales and use
8 tax agreement are excluded. The Tax Commissioner shall keep full
9 and accurate records of all money received from such sellers. The
10 balance of all amounts collected under the Nebraska Revenue Act of
11 1967 shall be credited to the General Fund.

12 Sec. 3. This act becomes operative on June 20, 2007.

13 Sec. 4. Original section 77-27,132, Revised Statutes
14 Cumulative Supplement, 2006, is repealed.

15 Sec. 5. Since an emergency exists, this act takes effect
16 when passed and approved according to law.