

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, except that the
13 only learning community levies to be included are the common levies
14 for which the proceeds are distributed to member school districts
15 pursuant to sections 79-1073 and 79-1073.01.

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

18 77-1736.06 The following procedure shall apply when
19 making a property tax refund:

20 (1) Within thirty days of the entry of a final
21 nonappealable order, an unprotested determination of a county
22 assessor, an unappealed decision of a county board of equalization,

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

1 such political subdivision and shall issue the person entitled
2 to the refund a receipt for the registration of the claim. The
3 certification by a political subdivision declaring a hardship shall
4 be binding upon the county treasurer;

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

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

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

1 due to such political subdivision.

2 If a political subdivision fails to fully satisfy the
3 refund or claim prior to the sixth next succeeding levy following
4 the entry of a final nonappealable order or other action approving
5 a refund, interest shall accrue on the unpaid balance commencing on
6 the sixth next succeeding levy following such entry or action at
7 the rate set forth in section 45-103;

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

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

24 (5) In the event that the Legislature appropriates state
25 funds to be disbursed for the purposes of satisfying all or any
26 portion of any refund or claim, the Tax Commissioner shall order
27 the county treasurer to disburse such refund amounts directly to

1 the persons entitled to the refund in partial or total satisfaction
2 of such persons' claims. The county treasurer shall disburse such
3 amounts within forty-five days after receipt thereof; and

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

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

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

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

24 (b) For each fiscal year, learning communities may levy
25 a maximum levy for the general fund budgets of member school
26 districts of ninety-five cents per one hundred dollars of taxable
27 valuation of property subject to the levy. The proceeds from the

1 levy pursuant to this subdivision shall be distributed pursuant to
2 section 79-1073.

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

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

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

1 percent or more of the revenue for its general fund budget from
2 federal government sources pursuant to Title VIII of Public Law
3 103-382, as such title existed on September 1, 2001.

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

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

27 (h) For each fiscal year, learning communities may levy

1 a maximum levy of ~~five~~ two cents on each one hundred dollars of
2 taxable property subject to the levy for elementary learning center
3 facility leases, for remodeling of leased elementary learning
4 center facilities, and for up to fifty percent of the estimated
5 cost for focus school or program capital projects approved by
6 the learning community coordinating council pursuant to section
7 79-2111.

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

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

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

23 (b) Natural resources districts shall also have the power
24 and authority to levy a tax equal to the dollar amount by which
25 their restricted funds budgeted to administer and implement ground
26 water management activities and integrated management activities
27 under the Nebraska Ground Water Management and Protection Act

1 exceed their restricted funds budgeted to administer and implement
2 ground water management activities and integrated management
3 activities for FY2003-04, not to exceed one cent on each one
4 hundred dollars of taxable valuation annually on all of the taxable
5 property within the district.

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

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

25 (6) (a) Incorporated cities and villages which are not
26 within the boundaries of a municipal county may levy a maximum levy
27 of forty-five cents per one hundred dollars of taxable valuation

1 of property subject to the levy plus an additional five cents per
2 one hundred dollars of taxable valuation to provide financing for
3 the municipality's share of revenue required under an agreement
4 or agreements executed pursuant to the Interlocal Cooperation Act
5 or the Joint Public Agency Act. The maximum levy shall include
6 amounts levied to pay for sums to support a library pursuant
7 to section 51-201, museum pursuant to section 51-501, visiting
8 community nurse, home health nurse, or home health agency pursuant
9 to section 71-1637, or statue, memorial, or monument pursuant to
10 section 80-202.

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

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

1 cents per hundred dollars of taxable valuation of property subject
2 to the levy.

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

1 levy authority under this section, the second county may exceed
2 the levy authority in order to levy the amount allocated. Property
3 tax levies for costs of reassumption of the assessment function
4 pursuant to section 77-1340 or 77-1340.04 are not included in the
5 levy limits established in this subsection for fiscal years 2010-11
6 through 2013-14.

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

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

26 (11) The limitations on tax levies provided in this
27 section are to include all other general or special levies

1 provided by law. Notwithstanding other provisions of law, the
2 only exceptions to the limits in this section are those provided by
3 or authorized by sections 77-3442 to 77-3444.

4 (12) Tax levies in excess of the limitations in this
5 section shall be considered unauthorized levies under section
6 77-1606 unless approved under section 77-3444.

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

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

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

26 79-527 (1) The superintendent or head administrator of a
27 public school district or a nonpublic school system shall annually

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

18 (2) The superintendent or head administrator of a public
19 school district or a nonpublic school system shall report on a
20 monthly basis to the Commissioner of Education as directed by the
21 commissioner regarding the number of and reason for any long-term
22 suspension, expulsion, or excessive absenteeism of a student;
23 referral of a student to the office of the county attorney for
24 excessive absenteeism; or contacting of law enforcement officials,
25 other than law enforcement officials employed by or contracted with
26 the school district as school resource officers, by the district or
27 system relative to a student enrolled in the district or system.

1 A school district that is a member of a learning community shall
2 also provide the learning community coordinating council with a
3 copy of such report on or before the date the report is due to the
4 commissioner.

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

7 79-1036 (1) In making the apportionment under section
8 79-1035, the Commissioner of Education shall distribute from
9 the school fund for school purposes, to any and all learning
10 communities and school districts which are not members of a
11 learning community in which there are situated school lands which
12 have not been sold and transferred by deed or saline lands owned
13 by the state, which lands are being used for a public purpose,
14 an amount in lieu of tax money that would be raised by school
15 district levies and learning community common levies for which the
16 proceeds are distributed to member school districts pursuant to
17 sections 79-1073 and 79-1073.01 if such lands were taxable, to
18 be ascertained in accordance with subsection (2) of this section,
19 except that:

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

27 (b) For Class I districts or portions thereof which are

1 part of a Class VI district which offers instruction in grades nine
2 through twelve and in which there are situated school or saline
3 lands, 38.6207 percent of the in lieu of land tax money calculated
4 pursuant to subsection (2) of this section, based on the Class VI
5 school system levy computed pursuant to section 79-1078, shall be
6 distributed to the Class VI district and the remainder shall be
7 distributed to the Class I district;

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

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

24 (2) The county assessor shall certify to the Commissioner
25 of Education the tax ~~levy for school purposes~~ levies of each school
26 district and learning community in which school land or saline
27 land is located and the last appraised value of such school land,

1 which value shall be the same percentage of the appraised value
2 as the percentage of the assessed value is of market value in
3 subsection (2) of section 77-201 for the purpose of applying the
4 applicable tax ~~levy~~ levies for each district and learning community
5 in determining the distribution to the districts of such amounts.
6 The school board of any school district and the learning community
7 coordinating council of any learning community in which there is
8 located any leased or undeeded school land or saline land subject
9 to this section may appeal to the Board of Educational Lands and
10 Funds for a reappraisalment of such school land if such school
11 board or learning community coordinating council deems the land
12 not appraised in proportion to the value of adjoining land of the
13 same or similar value. The Board of Educational Lands and Funds
14 shall proceed to investigate the facts involved in such appeal
15 and, if the contention of the school board or learning community
16 coordinating council is correct, make the proper reappraisalment.
17 The value calculation in this subsection shall be used by the
18 Commissioner of Education for making distributions in each school
19 fiscal year.

20 Sec. 9. Section 79-1073, Revised Statutes Supplement,
21 2009, is amended to read:

22 79-1073 On or before September 1 for each year, each
23 learning community coordinating council shall determine the
24 expected amounts to be distributed by the county treasurers to
25 each member school district from general fund property tax receipts
26 pursuant to subdivision (2)(b) of section 77-3442 and shall certify
27 such amounts to each member school district, the county treasurer

1 for each county containing territory in the learning community,
2 and the State Department of Education. Such property tax receipts
3 shall be divided among member school districts proportionally based
4 on the difference of the school district's formula need calculated
5 pursuant to section 79-1007.11 minus the sum of the state aid
6 certified pursuant to section 79-1022 and the other actual receipts
7 included in local system formula resources pursuant to section
8 79-1018.01 for the school fiscal year for which the distribution
9 is being made.

10 Each time the county treasurer distributes property tax
11 receipts from the common general fund levy to member school
12 districts, the amount to be distributed to each district shall
13 be proportional based on the total amounts to be distributed to
14 each member school district for the school fiscal year. Each time
15 the county treasurer certifies a property tax refund pursuant to
16 section 77-1736.06 based on the common general fund levy for member
17 school districts or any entity issues an in lieu of property tax
18 reimbursement based on the common general fund levy for member
19 school districts, including amounts paid pursuant to sections
20 70-651.01 and 79-1036, the amount to be certified or reimbursed to
21 each district shall be proportional on the same basis as property
22 tax receipts from such levy are distributed to member school
23 districts.

24 Sec. 10. Section 79-1073.01, Revised Statutes Supplement,
25 2009, is amended to read:

26 79-1073.01 Amounts levied by learning communities for
27 special building funds for member school districts pursuant to

1 subdivision (2)(g) of section 77-3442 shall be distributed by the
2 county treasurer collecting such levy proceeds to all member school
3 districts proportionally based on the formula students used in the
4 most recent certification of state aid pursuant to section 79-1022.
5 Each time the county treasurer certifies a property tax refund
6 pursuant to section 77-1736.06 based on the levy of a learning
7 community for special building funds for members school districts
8 or any entity issues an in lieu of property tax reimbursement
9 based on the levy of a learning community for special building
10 funds for member school districts, including amounts paid pursuant
11 to sections 70-651.01 and 79-1036, the amount to be certified or
12 reimbursed to each district shall be proportional on the same basis
13 as property tax receipts from such levy are distributed to member
14 school districts.

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

17 Sec. 11. Section 79-1241.03, Revised Statutes Supplement,
18 2009, is amended to read:

19 79-1241.03 ~~For school fiscal year 2008-09 and each school~~
20 ~~fiscal year thereafter.~~

21 (1) ~~One~~ Two percent of the funds appropriated for core
22 services and technology infrastructure shall be transferred to
23 the Educational Service Unit Coordinating Council. The remainder
24 of such funds shall be distributed pursuant to ~~subdivisiens~~
25 subsections (2) through (6) of this section. ~~+~~

26 (2)(a) The distance education and telecommunications
27 allowance for each educational service unit shall equal eighty-five

1 percent of the difference of the costs for telecommunications
2 services, for access to data transmission networks that transmit
3 data to and from the educational service unit, and for the
4 transmission of data on such networks paid by the educational
5 service unit as reported on the annual financial report for the
6 most recently available complete data year minus the receipts from
7 the federal Universal Service Fund pursuant to 47 U.S.C. 254,
8 as such section existed on January 1, 2007, for the educational
9 service unit as reported on the annual financial report for the
10 most recently available complete data year and minus any receipts
11 from school districts or other educational entities for payment
12 of such costs as reported on the annual financial report of the
13 educational service unit.+

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

17 (c) The satellite office allocation for each educational
18 service unit shall equal one percent of the funds appropriated
19 for distribution pursuant to this section for each office of
20 the educational service unit, except the educational service unit
21 headquarters, up to the maximum number of satellite offices. The
22 maximum number of satellite offices used for the calculation of
23 the satellite office allocation for any educational service unit
24 shall equal the difference of the ratio of the number of square
25 miles within the boundaries of the educational service unit divided
26 by four thousand minus one with the result rounded to the closest
27 whole number.+

1 (d) The statewide adjusted valuation shall equal the
2 total adjusted valuation for all member districts of educational
3 service units pursuant to section 79-1016 used for the calculation
4 of state aid for school districts pursuant to the Tax Equity and
5 Educational Opportunities Support Act for the school fiscal year
6 for which the distribution is being calculated pursuant to this
7 section.†

8 (e) The adjusted valuation for each educational service
9 unit shall equal the total adjusted valuation of the member school
10 districts pursuant to section 79-1016 used for the calculation of
11 state aid for school districts pursuant to the act for the school
12 fiscal year for which the distribution is being calculated pursuant
13 to this section, except that such adjusted valuation for member
14 school districts that are also member districts of a learning
15 community shall be reduced by ~~fifty percent.~~ fifty percent for
16 school fiscal years 2008-09 and 2009-10, thirty percent for school
17 fiscal year 2010-11, and ten percent for each school fiscal year
18 thereafter. The adjusted valuation for each learning community
19 shall equal fifty percent, for school fiscal years 2008-09 and
20 2009-10, thirty percent, for school fiscal year 2010-11, and ten
21 percent, for each school fiscal year thereafter, of the total
22 adjusted valuation of the member school districts pursuant to
23 section 79-1016 used for the calculation of state aid for school
24 districts pursuant to the act for the school fiscal year for which
25 the distribution is being calculated pursuant to this section.†

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

1 (g) ~~Except as provided in subdivision (5) of this~~
2 ~~section,~~ the The statewide student allocation shall equal the
3 difference of the sum of the amount appropriated for distribution
4 pursuant to this section plus the product of the statewide adjusted
5 valuation multiplied by the local effort rate minus the distance
6 education and telecommunications allowance, base allocation, and
7 satellite office allocation for all educational service units, and
8 minus any adjustments required by subsection (5) of this section.

9 (h) The sparsity adjustment for each educational service
10 unit and learning community shall equal the sum of one plus
11 one-tenth of the ratio of the square miles within the boundaries
12 of the educational service unit divided by the fall membership of
13 the member school districts for the school fiscal year immediately
14 preceding the school fiscal year for which the distribution is
15 being calculated pursuant to this section. +

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

1 school fiscal years 2008-09 and 2009-10, thirty percent, for school
2 fiscal year 2010-11, and ten percent, for each school fiscal year
3 thereafter, of the fall membership for such school fiscal year of
4 the member school districts multiplied by the sparsity adjustment
5 for the learning community.†

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

9 (k) The student allocation for each educational service
10 unit and learning community shall equal the per student allocation
11 multiplied by the adjusted students for the educational service
12 unit or learning community.†

13 (l) The needs for each educational service unit shall
14 equal the sum of the distance education and telecommunications
15 allowance, base allocation, satellite office allocation, and
16 student allocation for the educational service unit and the needs
17 for each learning community shall equal the student allocation for
18 the learning community.† and

19 (m) The distribution of core services and technology
20 infrastructure funds for each educational service unit and learning
21 community shall equal the needs for each educational service unit
22 or learning community minus the product of the adjusted valuation
23 for the educational service unit or learning community multiplied
24 by the local effort rate.†

25 (3) If an educational service unit is the result of
26 a merger or received new member school districts from another
27 educational service unit, ~~such~~ the educational service unit shall

1 be considered a new educational service unit for purposes of this
2 section. For each new educational service unit, the needs minus
3 the distance education and telecommunications allowance for such
4 new educational service unit shall, for each of the three fiscal
5 years following the fiscal year in which the merger takes place or
6 the new member school districts are received, receive core services
7 and technology infrastructure funds pursuant to subdivisions (2)
8 through (6) of this section in equal an amount not less than
9 the core services and technology infrastructure funds received
10 in needs minus the distance education and telecommunications
11 allowance for the portions of the educational service units
12 transferred to the new educational service unit for the fiscal
13 year immediately preceding the merger or receipt of new member
14 school districts, except that if the total amount available to be
15 distributed pursuant to subdivisions subsections (2) through (6)
16 of this section for such year the year for which needs are being
17 calculated is less than the total amount distributed pursuant
18 to such subdivisions or section 79-1243 for the immediately
19 preceding fiscal year, the minimum core services and technology
20 infrastructure funds subsections for the fiscal year immediately
21 preceding the merger or receipt of new member school districts, the
22 minimum needs minus the distance education and telecommunications
23 allowance for each educational service unit pursuant to this
24 subdivision subsection shall be reduced by a percentage equal
25 to the ratio of the difference of the total amount distributed
26 pursuant to subdivisions (2) through (6) of this section or section
27 79-1243 for the immediately preceding fiscal year minus the total

1 amount available to be distributed pursuant to subdivisions ~~(2)~~
2 through ~~(6)~~ of this section for the fiscal year in question
3 such difference divided by the total amount distributed pursuant
4 to ~~subdivisions~~ subsections (2) through (6) of this section ~~or~~
5 ~~section 79-1243~~ for the immediately preceding fiscal year. The core
6 ~~services and technology infrastructure funds received in~~ for the
7 fiscal year immediately preceding the merger or receipt of new
8 member school districts. The needs minus the distance education
9 and telecommunications allowance for the portions of educational
10 service units transferred to the new educational service unit
11 for the fiscal year immediately preceding a merger or receipt
12 of new member school districts ~~for~~ an educational service unit
13 shall equal the amount received in needs minus the distance
14 education and telecommunications allowance calculated for such
15 fiscal year pursuant to ~~subdivisions~~ subsections (2) through (6)
16 of this section ~~or~~ ~~section 79-1243~~ by for any educational service
17 unit affected by the merger or the transfer of school districts
18 multiplied by a ratio equal to the valuation that was transferred
19 to ~~or~~ ~~retained by~~ the new educational service unit for which the
20 minimum is being calculated divided by the total valuation of the
21 educational service unit transferring ~~or~~ ~~retaining~~ the territory.†

22 (4) For fiscal years ~~2008-09~~ 2010-11 through 2013-14,
23 each educational service unit which will not have any member
24 school districts that are members of a learning community shall
25 receive core services and technology infrastructure funds under
26 this section in an amount not less than ninety-five percent of
27 the total of the core services and technology infrastructure funds

1 that the educational service unit received in the immediately
2 preceding fiscal year either pursuant to subdivisions ~~(2)~~ through
3 ~~(6)~~ of this section or pursuant to section 79-1243, have needs
4 minus the distance education and telecommunications allowance
5 equal to an amount not less than ninety-five percent of the
6 needs minus the distance education and telecommunications allowance
7 for the immediately preceding fiscal year, except that if the
8 total amount available to be distributed pursuant to ~~subdivisions~~
9 subsections (2) through (6) of this section for ~~such year~~ the
10 year for which needs are being calculated is less than the
11 total amount distributed pursuant to such ~~subdivisions~~ or section
12 79-1243 subsections for the immediately preceding fiscal year,
13 the minimum core services and technology infrastructure funds
14 needs minus the distance education and telecommunications allowance
15 for each educational service unit pursuant to this ~~subdivision~~
16 subsection shall be reduced by a percentage equal to the ratio
17 of the difference of the total amount distributed pursuant to
18 ~~subdivisions (2) through (6)~~ of this section or section 79-1243
19 for the immediately preceding fiscal year minus the total amount
20 available to be distributed pursuant to ~~subdivisions (2) through~~
21 ~~(6)~~ of this section for the fiscal year in question such difference
22 divided by the total amount distributed pursuant to ~~subdivisions~~
23 subsections (2) through (6) of this section, ~~or section 79-1243 for~~
24 ~~the immediately preceding fiscal year;~~

25 (5) If the minimum core services and technology
26 infrastructure funds pursuant to ~~subdivision~~ needs minus the
27 distance education and telecommunications allowance pursuant to

1 subsection (3) or (4) of this section for any educational service
2 unit ~~exceed~~ exceeds the amount that would otherwise be ~~distributed~~
3 ~~to~~ calculated for such educational service unit pursuant to
4 ~~subdivision~~ subsection (2) of this section, the statewide student
5 allocation shall be reduced such that the total amount to be
6 distributed pursuant to this section equals the appropriation
7 for core services and technology infrastructure funds and no
8 educational service unit ~~receives~~ has needs minus the distance
9 education and telecommunications allowance less than the greater of
10 any minimum amounts calculated for such educational service unit
11 pursuant to ~~subdivisions~~ subsections (3) and (4) of this section. ~~+~~
12 ~~and~~

13 (6) The State Department of Education shall certify the
14 distribution of core services and technology infrastructure funds
15 pursuant to ~~subdivisions~~ subsections (2) through (6) of this
16 section to each educational service unit and learning community
17 on or before July 1, 2008, ~~for school fiscal year 2008-09 and on~~
18 ~~or before July 1 of each year thereafter~~ of each year for the
19 following school fiscal year. ~~Any~~ Except as otherwise provided in
20 this subsection, any funds appropriated for distribution pursuant
21 to this section shall be distributed in ten as nearly as possible
22 equal payments on the first business day of each month beginning
23 in September of each school fiscal year and ending in June. Funds
24 to be distributed to a learning community in school fiscal year
25 2010-11 shall be distributed in ten payments on the first business
26 day of each month beginning in September 2010 and ending in June
27 2011, with each of the first five payments equal as nearly as

1 possible to seventeen percent of the amount to be distributed and
2 with each of the last five payments equal as nearly as possible to
3 three percent of the amount to be distributed. Funds distributed
4 to educational service units pursuant to this section shall be
5 used for core services and technology infrastructure with the
6 approval of representatives of two-thirds of the member school
7 districts of the educational service unit, representing a majority
8 of the adjusted students in the member school districts used in
9 calculations pursuant to this section for such funds. The valuation
10 of individual school districts shall not be considered in the
11 utilization of such core services or technology infrastructure
12 funds by member school districts for funds received after July
13 1, 2010. Funds distributed to learning communities on or before
14 January 15, 2011, shall be used for learning community purposes
15 ~~pursuant to sections 79-2104 and 79-2115,~~ with the approval of
16 the learning community coordinating council. Funds distributed to
17 learning communities after January 15, 2011, shall be used for
18 evaluation and research pursuant to section 17 of the act with the
19 approval of the learning community coordinating council.

20 (7) For purposes of this section, the determination
21 of whether or not a school district will be a member of an
22 educational service unit or a learning community shall be based on
23 the information available May 1 for the following school fiscal
24 year.

25 Sec. 13. Section 79-2104, Revised Statutes Supplement,
26 2009, is amended to read:

27 79-2104 A learning community coordinating council shall

1 have the authority to:

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

4 (2) Levy a common levy for the special building funds
5 of member school districts pursuant to sections 77-3442 and
6 79-1073.01;

7 (3) Levy for elementary learning center facility leases,
8 for remodeling of leased elementary learning center facilities, and
9 for up to fifty percent of the estimated cost for focus school
10 or program capital projects approved by the learning community
11 coordinating council pursuant to sections subdivision (2)(h) of
12 section 77-3442 and section 79-2111;

13 (4) Levy for elementary learning center employees, for
14 contracts with other entities or individuals who are not employees
15 of the learning community for elementary learning center programs
16 and services, and for pilot projects pursuant to subdivision (2)(i)
17 of section 77-3442, except that not more than ten percent of such
18 levy may be used for elementary learning center employees.

19 ~~(4)~~ (5) Collect, analyze, and report data and
20 information, including, but not limited to, information provided by
21 a school district pursuant to subsection (5) of section 79-201;

22 ~~(5)~~ (6) Approve focus schools and focus programs to be
23 operated by member school districts;

24 ~~(6)~~ (7) Adopt, approve, and implement a diversity plan
25 which shall include open enrollment and may include focus schools,
26 focus programs, magnet schools, and pathways pursuant to section
27 79-2110;

1 ~~(7)~~ (8) Administer the open enrollment provisions in
2 section 79-2110 for the learning community as part of a diversity
3 plan developed by the council to provide educational opportunities
4 which will result in increased diversity in schools across the
5 learning community;

6 ~~(8)~~ (9) Annually conduct school fairs to provide
7 students and parents the opportunity to explore the educational
8 opportunities available at each school in the learning community
9 and develop other methods for encouraging access to such
10 information and promotional materials;

11 ~~(9)~~ (10) Develop and approve reorganization plans for
12 submission pursuant to the Learning Community Reorganization Act;

13 ~~(10)~~ (11) Establish and administer elementary learning
14 centers through achievement subcouncils pursuant to sections
15 79-2112 to 79-2114;

16 ~~(11)~~ (12) Administer the learning community funds
17 distributed to the learning community pursuant to section 79-2111;

18 ~~(12)~~ (13) Approve or disapprove poverty plans and limited
19 English proficiency plans for member school districts through
20 achievement subcouncils established under section 79-2117;

21 ~~(13)~~ (14) Establish a procedure for receiving community
22 input and complaints regarding the learning community; and

23 ~~(14)~~ (15) Establish a procedure to assist parents,
24 citizens, and member school districts in accessing an approved
25 center pursuant to the Dispute Resolution Act to resolve disputes
26 involving member school districts or the learning community. Such
27 procedure may include payment by the learning community for some

1 mediation services; and-

2 (16) Establish and administer pilot projects related
3 to enhancing the academic achievement of elementary students,
4 particularly students who face challenges in the educational
5 environment due to factors such as poverty, limited English skills,
6 and mobility.

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

9 79-2111 (1) A learning community may levy a maximum
10 levy pursuant to subdivision (2)(h) of section 77-3442 for ~~the~~
11 ~~purchase, construction, or remodeling of elementary learning center~~
12 facility leases, for remodeling of leased elementary learning
13 center facilities, and for up to fifty percent of the estimated
14 costs for focus school or program capital projects approved
15 pursuant to this section. The proceeds from such levy shall be
16 used for elementary learning center facility leases, for remodeling
17 of leased elementary learning center facilities, and ~~for one-time~~
18 ~~reductions of~~ to reduce the bonded indebtedness required for
19 approved projects by up to fifty percent of the estimated cost
20 of the approved project. The funds used for reductions of bonded
21 indebtedness shall be transferred to the school district for which
22 the project was approved and shall be deposited in such school
23 district's special building fund for use on such project.

24 (2) The learning community may approve pursuant to this
25 section funding for capital projects which will include the
26 purchase, construction, or remodeling of facilities for a focus
27 school or program designed to meet the requirements of section

1 79-769. Such approval shall include an estimated cost for the
2 project and shall state the amount that will be provided by the
3 learning community for such project.

4 (3) If, within the ten years following receipt of the
5 funding for a capital project pursuant to this section, a school
6 district receiving such funding uses the facility purchased,
7 constructed, or remodeled with such funding for purposes other
8 than those stated to qualify for the funds, the school district
9 shall repay such funds to the learning community with interest at
10 the rate prescribed in section 45-104.02 accruing from the date
11 the funds were transferred to the school district's building fund
12 as of the last date the facility was used for such purpose as
13 determined by the learning community coordinating council or the
14 date that the learning community coordinating council determines
15 that the facility will not be used for such purpose or that
16 such facility will not be purchased, constructed, or remodeled
17 for such purpose. Interest shall continue to accrue on outstanding
18 balances until the repayment has been completed. The remaining
19 terms of repayment shall be determined by the learning community
20 coordinating council. The learning community coordinating council
21 may waive such repayment if the facility is used for a different
22 focus school or program for a period of time that will result in
23 the use of the facility for qualifying purposes for a total of at
24 least ten years.

25 Sec. 17. Each learning community coordinating council
26 shall use any funds received after January 15, 2011, pursuant
27 to section 79-1241.03 for evaluation and research pursuant to

1 plans developed by the learning community coordinating council
2 with assistance from the educational service unit coordinating
3 council and the student achievement coordinator and adjusted on
4 an ongoing basis. The evaluation shall be conducted by one or
5 more other entities or individuals who are not employees of
6 the learning community and shall measure progress toward the
7 goals and objectives of the learning community, which goals and
8 objectives shall include closing academic achievement gaps based on
9 socioeconomic status, and the effectiveness of the approaches used
10 by the learning community or pilot project to reach such goals and
11 objectives. Any research conducted pursuant to this section shall
12 also be related to such goals and objectives. After the first full
13 year of operation, each learning community shall report evaluation
14 and research results to the Education Committee of the Legislature
15 on or before December 1 of each year.

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

18 79-2115 (1) Learning community funds distributed pursuant
19 to section 79-2103 may be used by the learning community
20 coordinating council receiving the funds for:

21 (a) The administration and operation of the learning
22 community;

23 (b) The administration, operations, and programs of
24 elementary learning centers pursuant to sections 79-2112 to
25 79-2114;

26 (c) Supplements for extended hours to teachers in
27 elementary schools in which at least thirty-five percent of the

1 students attending the school who reside in the attendance area of
2 such school qualify for free or reduced-price lunches;

3 (d) Transportation for parents of elementary students who
4 qualify for free or reduced-price lunches to school functions of
5 such students in elementary schools;

6 (e) Up to six social workers to provide services through
7 the elementary learning centers; and

8 (f) Pilot projects ~~related to enhancing the academic~~
9 ~~achievement of elementary students,~~ particularly students who face
10 ~~challenges in the educational environment due to factors such as~~
11 ~~poverty,~~ limited English skills, ~~and mobility.~~ authorized pursuant
12 to section 79-2104.

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

20 (3) A Each learning community coordinating council shall
21 provide for financial audits and evaluations of effectiveness of
22 elementary learning centers and pilot projects. ~~receiving funds~~
23 ~~pursuant to this section.~~ A learning community coordinating council
24 shall serve as the recipient of private funds donated to support
25 any elementary learning center or pilot project receiving funds
26 ~~pursuant to this section~~ from such learning community coordinating
27 council and shall assure that the use of such private funds is

1 included in the financial audits required pursuant to this section.

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

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

6 4. Amend the repealer, correct internal references, and
7 renumber the remaining sections accordingly.