

**ONE HUNDREDTH LEGISLATURE - SECOND SESSION -  
2008**

**COMMITTEE STATEMENT**

**LB1083**

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**Hearing Date:** February 19, 2008

**Committee On:** Education

**Introducer(s):** (Raikes)

**Title:** Change tax levy and funding provisions for school districts, school districts that are members of learning communities, and educational service units

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**Roll Call Vote - Final Committee Action:**

Indefinitely Postponed

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**Vote Results:**

7 Yes	Senators Adams, Avery, Burling, Howard, Johnson, Kopplin, Raikes
0 No	
1 Absent	Senator Ashford
0 Present, not voting	

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**Proponents:**

Senator Ron Raikes  
Kyle Fairbairn

**Representing:**

Introducer  
Bellevue Public Schools

**Opponents:**

Mary Campbell

**Representing:**

Educational Service Units Coordinating  
Council

Roger Breed  
George Conrad

Steve Shanahan

Elkhorn Public Schools  
Douglas County West Community Schools;  
Gretna Public Schools; Bennington Public  
Schools; South Sarpy #46  
Blair Community Schools and the school  
districts of Washington and Cass Counties

**Neutral:**

**Representing:**

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**Summary of purpose and/or change:**

Legislative Bill 1083 would allow learning community member school districts to option out of their educational service unit (ESU), allow the districts that opt out an additional \$0.01 of levy authority, include learning communities in the distribution of core services and technology infrastructure funds, and distribute a portion of those funds to the school districts that option out of their ESU.

Section 77-3442 would be amended by allowing school districts that are not members of an ESU to levy a maximum of \$1.06 minus the learning community common levies. The maximum levy for all other school districts would remain \$1.05 minus any learning community common levies.

Section 79-1028 would be amended by allowing a budget exception for members of learning communities for the first school fiscal year for which the school district will no longer be a member of an ESU. The amount of the budget exception would equal the core services and technology infrastructure funds to be received plus 0.01% of the assessed valuation, which would represent 1 cent per \$100 of valuation.

Section 79-1201 would be amended by adding the provisions allowing learning community schools to opt out of an ESU to the Educational Service Units Act.

A new section would allow members of a learning community to provide notice on or before March 1 of any year that the school district is optioning out of their ESU effective as of the following September 1.

Section 79-1205 would be amended by directing the State Board of Education to change ESU boundaries when notice has been given that a learning community district will option out of an ESU.

Section 79-1241.03 would be amended by including learning communities in the formula for the distribution of ESU core services and technology infrastructure funds. The adjusted valuation for learning communities would be the adjusted valuation of the member school districts. The adjusted students for ESU's would include 50% of the fall membership of member school districts that will be members of a learning community and 100% of the fall membership for all other member school districts. The

adjusted students for learning communities would include 50% of the fall membership of the learning community member school districts. The sparsity adjustment to the student numbers would also apply to learning communities.

The needs for learning communities would only include the student allocation, and would not include a distance education and telecommunications allowance, base allocation, or satellite office allocation. The 95% hold harmless would not apply to ESU's that have any member school districts that are members of a learning community or which have any member school districts option out of the ESU.

Learning community member districts that are not ESU members would each receive an amount from the learning community equal to:

[Per Student Allocation] X [50% (Fall Membership X Sparsity Adjustment)]

The funds would be certified on or before August 1<sup>st</sup> and distributed in ten payments on or before the 15<sup>th</sup> of each month beginning in September. The determination of whether or not a school district would be a member of an educational service unit or a learning community would be based on the information available May 1<sup>st</sup> for the following school fiscal year.

**Explanation of amendments, if any:**

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Senator Ron Raikes, Chairperson