



**Hundredth Legislature - First Session - 2007
Committee Statement
LB 241**

Hearing Date: January 22, 2007
Committee On: Education

Introducer(s): (Hudkins, 21)
Title: Require the state to pay teachers' salaries as prescribed

Roll Call Vote – Final Committee Action:

- Advanced to General File
 - Advanced to General File with Amendments
 - X Indefinitely Postponed
-

Vote Results:

8	Yes	Senators Adams, Ashford, Avery, Burling, Howard, Johnson, Kopplin, and Raikes
0	No	
0	Present, not voting	
0	Absent	

Proponents:
Senator Carol Hudkins

Representing:
Introducer

Opponents:
Mark McGuire

Representing:
Nebraska State Education Association

Neutral:

Representing:

Summary of purpose and/or changes:

LB 241 would require the state to pay teacher salaries and benefits for all Nebraska school districts and educational service units and would repeal Sections 79-1001 through 79-1033, the Tax Equity and Educational Opportunities Support Act (TEEOSA). All references forms of state aid to school districts core services funding for educational service units would be replaced with the state assumption of teacher salaries. LB 241 would establish a teacher collective bargaining unit and provide for collective bargaining. LB 241 would also reduce the maximum levy for school districts by 5 cents.

Section 10-704 would be amended and redefine the general fund budget of expenditures for the section as the total budget of disbursements and transfers for general fund purposes as certified in the budget statement pursuant to the Nebraska Budget Act except for Class I districts pursuant to 79-1083.03 the general fund budget of expenditures does

Section 13-508 would be amended to remove references to TEEOSA.

Section 77-913 which directs the state treasurer to direct sixty percent of the Insurance Tax Fund to the State Department of Education would be amended to strike language related to aid distribution and amend language for payments that would be required to carry out the provisions of the bill.

Section 77-1327 would be amended to strike the language requiring the Property Tax Administrator to establish adjusted valuations for the purposes of TEEOSA.

Section 77-3442 would be amended to reduce maximum levy of school districts from one dollar and five cents to one dollar and would reduce the maximum levy of school districts in a learning community from one dollar and two cents to ninety-seven cents. The section would also be amended to strike language related to the temporary aid adjustment.

Section 77-5007 would be amended to strike language related to the Property Tax Administrator and adjusted valuation pursuant to TEEOSA.

Section 79-213 would be amended to strike language referring to TEEOSA.

Section 79-413 would be amended to strike language referring to reorganization incentive payments under 79-1010.

Section 79-479 would be amended to strike language referring to allocations under TEEOSA and would strike a reference to budget authority in sections 79-1023 to 79-1030.

Section 79-4,111 would be amended to strike language referring to the process for determining general fund budget of expenditures for Class I districts that are not participating in a unified system

Section 79-528 would be amended to strike references TEEOSA

Section 79-805 would be amended to strike language that made boards of education personally liable for payment to teachers who were not qualified under sections 79-806 to 79-815 and would amend the section to prohibit teachers and administrators from recovering money for teaching or serving as an administrator without a valid contract and certificate.

Section 79-818 currently allows school districts to enter into contracts with teachers and administrators. This section would be amended to include two additional subsections. First it adds language to make all teachers providing instructional services in school districts and educational service units employees of the State of Nebraska. Second it adds language to have the State assume all financial obligations of all contracts with teachers. Administrators would remain the obligation of the school district.

79-820 which prohibits contracts from more than one school for the same time of performance under a separate contract would be amended to include teacher contracts under the financial obligation of the state

Section 15 of the bill would create a teachers bargaining unit that would consist of a representative from each legislative district.

Section 16 of the bill would create a new section and define the collective bargaining process between the Chief Negotiator as defined in section 81-1371 and the teachers bargaining unit with respect to salaries, insurance, retirement and other financial benefits. All other terms and conditions would be negotiated between the district and the teachers of the district.

Section 79-855 would have language stricken in subsections 4 and 5 relating to the retirement incentive plan in the case of reorganization or unification. The state would be responsible for such costs under LB 241.

Section 79-856 would have language stricken in subsections 4 and 5 relating to costs of Staff Development Assistance in the case of reorganization or unification. The state would be responsible for such costs under LB 241.

Section 79-861 relates to the Professional Practices Commission and the payment for substitute teachers replacing teachers absent due to official duties of the Commission. Language would be stricken related to reimbursement for the expense the district incurs from employing a replacement school district employee while a school employee is attending meetings of the Commission, panel, committee, or subcommittee.

Section 79-872 would be amended to include withholding for participation in a professional or labor organization from the state payroll for teachers.

Section 79-873 would be amended to include of wages paid by the state for professional or labor organization inclusion in annual certification of deductions for professional or labor organization and bind the employee school district, state and organization.

Section 79-874 would be amended to include the state in protection from liability as a result of claims, demands or costs arising out of withholding provisions.

Section 79-8,137 describes the existing Attracting Excellence to Teaching Program and moves the definition of very sparse for the purposes of this section.

Section 79-901 is the opening section of the School Employees Retirement Act and would be amended to reference new section 25 of LB 241.

Section 25 of the bill would insert a new section that states that contributions required under the School Employees Retirement act by the school district shall be made by the state for all teachers who are members of the retirement system.

Section 79-977 would be amended to strike a reference to growth limitations under TEEOSA and insert any growth limitation according to the “Constitution of Nebraska or state law”

Section 79-978.01 is the opening section of the Class V School Employees Retirement Act and would be amended to reference new section 28 of LB 241.

Section 28 of the bill would insert a new section that states that contributions required under the Class V School Employees Retirement Act by the school district shall be made by the state for all teachers who are members of the retirement system.

Section 79-1065.01 would be amended to strike a reference to monthly payments of state aid pursuant to section 79-1022.

Section 79-1065.02, subsection 4 & 5 would be amended to strike references to “local system” and lump sum payments for adjusting state aid payments to reflect transfers of property due to annexation, dissolution or reorganization.

Section 79-1073 would be amended to strike language related to the distribution of property tax receipts in a learning community based on school district formula needs under TEEOSA.

Section 79-1073.01 would be amended to strike language related to formula students used in the certification of state aid and insert language to use reports filed pursuant to 79-528 for student enrollment.

Section 79-1083.01 would be amended to strike language related to TEEOSA and insert “Constitution of Nebraska or state law”.

Section 79-1089 would be amended to strike language referring to TEEOSA

Section 79-1090 would be amended to strike language referring to TEEOSA

Section 79-10,120 would strike a reference and replace with a the new subdivision reference in 77-3442.

Section 79-10,124 would be amended to strike a reference to Class I school districts and their primary high school district approval of use of special tax levied under 79-10,110 and 79-10,122 to 79-10,125.

Section 79-1103 which established the Early Childhood Education Grant Program would be amended to strike references to calculations pursuant to TEEOSA and state aid generated through early childhood education students pursuant to TEEOSA.

Section 79-1104 which allows school boards to establish before-and-after-school or prekindergarten services would be amended to provide for payment of salaries of such teachers and administrators according to 79-818. It would also be amended to strike language of basic allowable growth

Section 79-1108 would be amended to strike language relating to the distribution of grant funds through the high ability learner program and would be amended define fall membership for the purposes of the section.

Section 79-1223 would be amended to include contracts for instructional services in education service unites as an obligation of the state

Section 79-1235 would be amended to include payment and salary and benefits pursuant to a contract with a certificated teacher.

Section 79-1241 describes cores services and core services funding. The section would be amended to terminate on July 1, 2008.

Section 79-1241.01 is cores services appropriation language and would be amended to strike language relating to basic allowable growth rate in 79-1025 and reference to the definition of fall membership under 79-1003. It would insert a definition for fall membership. It would also be amended to terminate on July 1, 2008.

Section 79-1337 describes distance education incentives and re-establishes definitions for sparse and very sparse school districts for the purposes of this section.

Section 79-2102 describes the establishment of learning communities and is amended to re-establish definitions for sparse and very sparse school districts for the purposes of this section.

Section 79-2106 would be amended to strike language referring to formula students used in state aid pursuant to section 79-1022.

Sections 15, 16, and 51 become operative on their effective date. The other sections of LB 241 become operative on July 1, 2008.

The original sections would be repealed.

Several sections would be outright repealed including

45-2513 – Special grant funds; designation

79-245 - Application of TEEOSA for the purposes of option enrollment

79-1001 to 79-1033 - Tax Equity and Educational Opportunities Support Act.

79-1083.02 and 79-1083.03 – Dealing with designating Class I primary high school districts and procedures for setting general fund budget of expenditures for Class I districts.

LB 241 includes the emergency clause.

Explanation of amendments, if any:

Senator Ron Raikes, Chairperson