

LEGISLATURE OF NEBRASKA  
ONE HUNDREDTH LEGISLATURE  
SECOND SESSION  
**LEGISLATIVE BILL 1036**

Introduced by Raikes, 25.

Read first time January 17, 2008

Committee: Education

A BILL

1 FOR AN ACT relating to schools; to amend section 79-10,110,  
2 Reissue Revised Statutes of Nebraska; to change  
3 provisions relating to a tax levy for health and safety  
4 modifications or qualified zone academy bonds; and to  
5 repeal the original section.  
6 Be it enacted by the people of the State of Nebraska,

1           Section 1. Section 79-10,110, Reissue Revised Statutes of  
2 Nebraska, is amended to read:

3           79-10,110 (1) After making a determination that an actual  
4 or potential environmental hazard or accessibility barrier exists,  
5 that a life safety code violation exists, or that expenditures  
6 are needed for indoor air quality or mold abatement and prevention  
7 within the school buildings or grounds under its control, a school  
8 board may make and deliver to the county clerk of such county  
9 in which any part of the school district is situated, not later  
10 than the date provided in section 13-508, an itemized estimate of  
11 the amounts necessary to be expended for the abatement of such  
12 environmental hazard, for accessibility barrier elimination, or for  
13 modifications for life safety code violations, indoor air quality,  
14 or mold abatement and prevention in such school buildings or  
15 grounds. The board shall conduct a public hearing on the itemized  
16 estimate prior to presenting such estimate to the county clerk.  
17 Notice of the place and time of such hearing shall, at least five  
18 days prior to the date set for hearing, be published in a newspaper  
19 of general circulation within the school district. The board shall  
20 designate the particular environmental hazard abatement project,  
21 accessibility barrier elimination project, or modification for life  
22 safety code violations, indoor air quality, or mold abatement and  
23 prevention for which the tax levy provided for by this section will  
24 be expended, the period of years, which shall not exceed ten years,  
25 for which the tax will be levied for such project, and the amount

1 of the levy for each year of the period.

2 (2) After a public hearing, a school board may undertake  
3 any qualified capital purpose in any qualified zone academy under  
4 its control and may levy a tax as provided in this section to  
5 repay a qualified zone academy bond issued for such undertaking.  
6 The board shall designate the particular qualified capital purpose  
7 for which the qualified zone academy bond was issued and for which  
8 the tax levy provided for by this section will be expended, the  
9 period of years, not exceeding fifteen, for which the tax will be  
10 levied for such qualified zone academy bond, and the amount of the  
11 levy for each year of the period. The hearing required by this  
12 subsection shall be held only after notice of such hearing has been  
13 published for three consecutive weeks prior to the hearing in a  
14 legal newspaper published or of general circulation in the school  
15 district.

16 (3) The board may designate more than one project under  
17 subsection (1) of this section or qualified capital purpose  
18 under subsection (2) of this section and levy a tax pursuant  
19 to this section for each such project or qualified capital  
20 purpose, concurrently or consecutively, as the case may be, if  
21 the aggregate levy in each year and the duration of each such  
22 levy will not exceed the limitations specified in this section.  
23 Each levy for a project or qualified capital purpose which is  
24 authorized by this section may be imposed for such duration as  
25 the board specifies, notwithstanding the contemporaneous existence

1 or subsequent imposition of any other levy for another project  
2 or qualified capital purpose imposed pursuant to this section and  
3 notwithstanding the subsequent issuance by the district of bonded  
4 indebtedness payable from its general fund levy.

5 (4) The county clerk shall levy such taxes, not to  
6 exceed five and one-fifth cents per one hundred dollars of  
7 taxable valuation for Class II, III, IV, V, and VI districts,  
8 and not to exceed the limits set for Class I districts in section  
9 79-10,124, on the taxable property of the district necessary to (a)  
10 cover the environmental hazard abatement or accessibility barrier  
11 elimination project costs or costs for modification for life  
12 safety code violations, indoor air quality, or mold abatement and  
13 prevention itemized by the board pursuant to subsection (1) of this  
14 section and (b) repay any qualified zone academy bonds pursuant to  
15 subsection (2) of this section. Such taxes shall be collected by  
16 the county treasurer at the same time and in the same manner as  
17 county taxes are collected and when collected shall be paid to the  
18 treasurer of the district and used to cover the project costs. For  
19 school year 2008-09 and all school years thereafter, the proceeds  
20 of the tax levy authorized in this subsection shall be limited to  
21 the amount generated by a levy of five and one-fifth cents per  
22 one hundred dollars on the taxable valuation of property in the  
23 district for school year 2007-08.

24 (5) If such board operates grades nine through twelve  
25 as part of an affiliated school system, it shall designate the

1 fraction of the project or undertaking to be conducted for the  
2 benefit of grades nine through twelve. Such fraction shall be  
3 raised by a levy placed upon all of the taxable value of all  
4 taxable property in the affiliated school system pursuant to  
5 subsection (2) of section 79-1075. The balance of the project or  
6 undertaking to be conducted for the benefit of grades kindergarten  
7 through eight shall be raised by a levy placed upon all of the  
8 taxable value of all taxable property in the district which is  
9 governed by such board. The combined rate for both levies in the  
10 high school district, to be determined by such board, shall not  
11 exceed five and one-fifth cents on each one hundred dollars of  
12 taxable value.

13 (6) Each board which submits an itemized estimate shall  
14 establish an environmental hazard abatement and accessibility  
15 barrier elimination project account, a life safety code  
16 modification project account, an indoor air quality project  
17 account, or a mold abatement and prevention project account, and  
18 each board which undertakes a qualified capital purpose shall  
19 establish a qualified capital purpose undertaking account, within  
20 the qualified capital purpose undertaking fund. Taxes collected  
21 pursuant to this section shall be credited to the appropriate  
22 account to cover the project or undertaking costs. Such estimates  
23 may be presented to the county clerk and taxes levied accordingly.

24 (7) For purposes of this section:

25 (a) Abatement includes, but is not limited to, any

1 inspection and testing regarding environmental hazards, any  
2 maintenance to reduce, lessen, put an end to, diminish, moderate,  
3 decrease, control, dispose of, or eliminate environmental hazards,  
4 any removal or encapsulation of environmentally hazardous material  
5 or property, any restoration or replacement of material or  
6 property, any related architectural and engineering services, and  
7 any other action to reduce or eliminate environmental hazards in  
8 the school buildings or on the school grounds under the board's  
9 control, except that abatement does not include the encapsulation  
10 of any material containing more than one percent friable asbestos;

11 (b) Accessibility barrier means anything which impedes  
12 entry into, exit from, or use of any building or facility by all  
13 people;

14 (c) Accessibility barrier elimination includes, but is  
15 not limited to, inspection for and removal of accessibility  
16 barriers, maintenance to reduce, lessen, put an end to, diminish,  
17 control, dispose of, or eliminate accessibility barriers, related  
18 restoration or replacement of facilities or property, any related  
19 architectural and engineering services, and any other action to  
20 eliminate accessibility barriers in the school buildings or grounds  
21 under the board's control;

22 (d) Environmental hazard means any contamination of the  
23 air, water, or land surface or subsurface caused by any substance  
24 adversely affecting human health or safety if such substance has  
25 been declared hazardous by a federal or state statute, rule, or

1 regulation;

2 (e) Modification for indoor air quality includes, but  
3 is not limited to, any inspection and testing regarding indoor  
4 air quality, any maintenance to reduce, lessen, put an end to,  
5 diminish, moderate, decrease, control, dispose of, or eliminate  
6 indoor air quality problems, any restoration or replacement of  
7 material or related architectural and engineering services, and any  
8 other action to reduce or eliminate indoor air quality problems  
9 or to enhance air quality conditions in new or existing school  
10 buildings or on school grounds under the control of a school board;

11 (f) Modification for life safety code violation includes,  
12 but is not limited to, any inspection and testing regarding life  
13 safety codes, any maintenance to reduce, lessen, put an end to,  
14 diminish, moderate, decrease, control, dispose of, or eliminate  
15 life safety hazards, any restoration or replacement of material or  
16 property, any related architectural and engineering services, and  
17 any other action to reduce or eliminate life safety hazards in new  
18 or existing school buildings or on school grounds under the control  
19 of a school board;

20 (g) Modification for mold abatement and prevention  
21 includes, but is not limited to, any inspection and testing  
22 regarding mold abatement and prevention, any maintenance to  
23 reduce, lessen, put an end to, diminish, moderate, decrease,  
24 control, dispose of, or eliminate mold problems, any restoration or  
25 replacement of material or related architectural and engineering

1 services, and any other action to reduce or eliminate mold problems  
2 or to enhance air quality conditions in new or existing school  
3 buildings or on school grounds under the control of a school board;

4 (h) Qualified capital purpose means (i) rehabilitating or  
5 repairing the public school facility in which the qualified zone  
6 academy is established or (ii) providing equipment for use at such  
7 qualified zone academy;

8 (i) Qualified zone academy has the meaning found in 26  
9 U.S.C. 1397E(d)(4), as such section existed on April 6, 2001;

10 (j) Qualified zone academy allocation means the  
11 allocation of the qualified zone academy bond limitation by the  
12 State Department of Education to the qualified zone academies  
13 pursuant to 26 U.S.C. 1397E(e)(2), as such section existed on April  
14 6, 2001; and

15 (k) Qualified zone academy bond has the meaning found in  
16 26 U.S.C. 1397E(d)(1), as such section existed on May 8, 2001.

17 (8) Accessibility barrier elimination project costs  
18 includes, but is not limited to, inspection, maintenance,  
19 accounting, emergency services, consultation, or any other action  
20 to reduce or eliminate accessibility barriers.

21 (9) For the purpose of paying amounts necessary for  
22 the abatement of environmental hazards, accessibility barrier  
23 elimination, or modifications for life safety code violations,  
24 indoor air quality, or mold abatement and prevention, the board may  
25 borrow money and issue bonds and other evidences of indebtedness



1 of the district, which bonds and other evidences of indebtedness  
2 shall be secured by and payable from an irrevocable pledge by the  
3 district of amounts received in respect of the tax levy provided  
4 for by this section and any other funds of the district available  
5 therefor. Bonds and other evidences of indebtedness issued by a  
6 district pursuant to this subsection shall not constitute a general  
7 obligation of the district or be payable from any portion of its  
8 general fund levy.

9 (10) The total principal amount of bonds for  
10 modifications to correct life safety code violations, for indoor  
11 air quality problems, or for mold abatement and prevention which  
12 may be issued pursuant to this section shall not exceed the total  
13 amount specified in the itemized estimate described in subsection  
14 (1) of this section.

15 (11) The total principal amount of qualified zone academy  
16 bonds which may be issued pursuant to this section for qualified  
17 capital purposes with respect to a qualified zone academy shall  
18 not exceed the qualified zone academy allocation granted to the  
19 board by the department. The total amount that may be financed by  
20 qualified zone academy bonds pursuant to this section for qualified  
21 purposes with respect to a qualified zone academy shall not exceed  
22 seven and one-half million dollars statewide in a single year.  
23 In any year that the Nebraska qualified zone academy allocations  
24 exceed seven and one-half million dollars for qualified capital  
25 purposes to be financed with qualified zone academy bonds issued

1 pursuant to this section, (a) the department shall reduce such  
2 allocations proportionally such that the statewide total for such  
3 allocations equals seven and one-half million dollars and (b) the  
4 difference between the Nebraska allocation and seven and one-half  
5 million dollars shall be available to qualified zone academies for  
6 requests that will be financed with qualified zone academy bonds  
7 issued without the benefit of this section.

8           Nothing in this section directs the State Department of  
9 Education to give any preference to allocation requests that will  
10 be financed with qualified zone academy bonds issued pursuant to  
11 this section.

12           Sec. 2. Original section 79-10,110, Reissue Revised  
13 Statutes of Nebraska, is repealed.