AMENDMENTS TO LB 5

(Amendments to Standing Committee amendments, AM7)

Introduced by McGill, 26.

1   1. On page 1, line 1, strike "section" and insert

2   "sections".

3   2. On page 2, after line 21, insert the following new

4   sections:

5   Sec. 12. Prior to reducing expenditures for classroom

6   instruction to offset a reduction in state aid for school fiscal

7   year 2010-11 below the amount authorized pursuant to the Tax Equity

8   and Educational Opportunities Support Act as such act existed prior

9   to the effective date of this act, school districts shall first

10   reduce noninstructional expenditures. For purposes of sections 12

11   to 15 of this act, noninstructional expenditures includes, but is

12   not limited to:

13   (1) Transportation of persons other than students;

14   (2) Administration;

15   (3) Noninstructional vacancies;

16   (4) Capital and equipment expenditures;

17   (5) Capital construction and renovation;

18   (6) Service contracts, including, but not limited to,

19   legal and professional services; and

20   (7) Cash reserves.

21   Sec. 13. On or before July 1, 2010, each school district

22   shall post on its web site or publish in a newspaper published or

1   **of general circulation in the county in which the administrative**

2   **office of such school district is located a list of all proposed**

3   **reductions in the school district's budget necessary to comply with**

4   **section 12 of this act. The list shall provide separate detail for**

5   **reductions in instructional and noninstructional expenditures.**

6   **Sec. 14. The budget submitted to the Auditor of Public**

7   **Accounts and the department pursuant to section 79-1024 for school**

8   **fiscal year 2010-11 shall include an itemized list of the budget**

9   **reductions made to comply with reductions in state aid pursuant**

10 **to this legislative bill. The Auditor of Public Accounts shall**

11 **post on its web site or publish in a newspaper of statewide**

12 **circulation such itemized list for all school districts. The**

13 **itemized list shall provide separate detail for instructional and**

14 **noninstructional expenditures.**

15   **Sec. 15. For state aid to be distributed in school**

16 **fiscal year 2011-12, a noninstructional priority adjustment shall**

17 **be calculated and applied to any local system that decreased its**

18 **instructional expenditures for school fiscal year 2010-11 as a**

19 **result of a reduction in state aid pursuant to this legislative**

20 **bill. To calculate the noninstructional priority adjustment, the**

21 **department shall multiply the total of the itemized list of**

22 **instructional expenditure reductions, as reported to the department**

23 **and the Auditor of Public Accounts pursuant to section 14 of this**

24 **act, by fifty percent. The noninstructional priority adjustment**

25 **shall be added to the formula resources of the local system for the**

26 **determination of equalization aid pursuant to section 79-1008.01.**

27 **If the noninstructional priority adjustment is greater than or**

1   **equal to the allocated income tax funds calculated pursuant to**

2   **section 79-1005.01, the local system shall not receive allocated**

3   **income tax funds. If the noninstructional priority adjustment is**

4   **less than the allocated income tax funds calculated pursuant to**

5   **section 79-1005.01, the local system shall receive allocated income**

6   **tax funds in the amount of the difference between the allocated**

7   **income tax funds calculated pursuant to section 79-1005.01 and**

8   **the noninstructional priority adjustment. The department shall**

9   **establish annual financial report codes and expedite reporting**

10   **of the annual financial report to implement the noninstructional**

11   **priority adjustment.**

12   3. Insert the following new amendments:

13   3. On page 3, line 18; page 7, line 24; and page 35, line

14   16, strike "section 8" and insert "sections 8 and 12 to 15".

15   9. Renumber the remaining sections accordingly.

16   4. Renumber the remaining amendments accordingly.