

AMENDMENTS TO LB 392

(Amendments to Standing Committee amendments, AM1079)

Introduced by Adams, 24.

1           1. Insert the following new sections:

2           Sec. 5. Section 79-1024, Reissue Revised Statutes of  
3 Nebraska, is amended to read:

4           79-1024 (1) The department may require each district  
5 to submit to the department a duplicate copy of such portions  
6 of the district's budget statement as the Commissioner of  
7 Education directs. The department may verify any data used  
8 to meet the requirements of the Tax Equity and Educational  
9 Opportunities Support Act. The Auditor of Public Accounts shall  
10 review each district's budget statement for statutory compliance,  
11 make necessary changes in the budget documents for districts to  
12 effectuate the budget limitations imposed pursuant to sections  
13 79-1023 to 79-1030, and notify the Commissioner of Education of  
14 any district failing to submit to the auditor the budget documents  
15 required pursuant to this subsection by the date established in  
16 subsection (1) of section 13-508 or failing to make any corrections  
17 of errors in the documents pursuant to section 13-504 or 13-511.

18           (2) If a school district fails to submit to the  
19 department or the auditor the budget documents required pursuant  
20 to subsection (1) of this section by the date established in  
21 subsection (1) of section 13-508 or fails to make any corrections  
22 of errors in the documents pursuant to section 13-504 or 13-511,

1 the commissioner, upon notification from the auditor or upon his  
2 or her own knowledge that the required budget documents and any  
3 required corrections of errors from any school district have not  
4 been properly filed in accordance with the Nebraska Budget Act  
5 and after notice to the district and an opportunity to be heard,  
6 shall direct that any state aid granted pursuant to the Tax Equity  
7 and Educational Opportunities Support Act be withheld until such  
8 time as the required budget documents or corrections of errors  
9 are received by the auditor and the department. In addition, the  
10 commissioner shall direct the county treasurer to withhold all  
11 school money belonging to the school district until such time as  
12 the commissioner notifies the county treasurer of receipt of the  
13 required budget documents or corrections of errors. The county  
14 treasurer shall withhold such money. For school districts that are  
15 members of learning communities, a determination of school money  
16 belonging to the district shall be based on the proportionate  
17 share of property tax receipts allocated to the school district  
18 by the learning community coordinating council, and the ~~learning~~  
19 ~~community coordinating council~~ county treasurer shall withhold any  
20 such school money in the possession of the ~~learning community~~  
21 ~~coordinating council~~ county treasurer from the school district.  
22 If the school district does not comply with this section prior  
23 to the end of the state's biennium following the biennium which  
24 included the fiscal year for which state aid was calculated, the  
25 state aid funds shall revert to the General Fund. The amount  
26 of any reverted funds shall be included in data provided to the  
27 Governor in accordance with section 79-1031. The board of any

1 district failing to submit to the department or the auditor the  
2 budget documents required pursuant to this section by the date  
3 established in subsection (1) of section 13-508 or failing to make  
4 any corrections of errors in the documents pursuant to section  
5 13-504 or 13-511 shall be liable to the school district for all  
6 school money which such district may lose by such failing.

7           Sec. 6. Section 79-1033, Reissue Revised Statutes of  
8 Nebraska, is amended to read:

9           79-1033 (1) Except as otherwise provided in the Tax  
10 Equity and Educational Opportunities Support Act, state aid payable  
11 pursuant to the act for each school fiscal year shall be based upon  
12 data found in applicable reports for the most recently available  
13 complete data year. The annual financial reports and the annual  
14 statistical summary of all school districts shall be submitted to  
15 the Commissioner of Education pursuant to the dates prescribed in  
16 section 79-528. If a school district fails to timely submit its  
17 reports, the commissioner, after notice to the district and an  
18 opportunity to be heard, shall direct that any state aid granted  
19 pursuant to the act be withheld until such time as the reports  
20 are received by the department. In addition, the commissioner shall  
21 direct the county treasurer to withhold all school money belonging  
22 to the school district until such time as the commissioner notifies  
23 the county treasurer of receipt of such reports. The county  
24 treasurer shall withhold such money. For school districts that are  
25 members of learning communities, a determination of school money  
26 belonging to the district shall be based on the proportionate share  
27 of state aid and property tax receipts allocated to the school

1 district by the learning community coordinating council, and the  
2 ~~county treasurer of the learning community coordinating council~~  
3 shall withhold any such school money in the possession of the  
4 ~~learning community coordinating council~~ county treasurer from the  
5 school district. If the school district does not comply with this  
6 section prior to the end of the state's biennium following the  
7 biennium which included the school fiscal year for which state aid  
8 was calculated, the state aid funds shall revert to the General  
9 Fund. The amount of any reverted funds shall be included in data  
10 provided to the Governor in accordance with section 79-1031.

11 (2) A district which receives, or has received in the  
12 most recently available complete data year or in either of the two  
13 school fiscal years preceding the most recently available complete  
14 data year, federal funds in excess of twenty-five percent of its  
15 general fund budget of expenditures may apply for early payment of  
16 state aid paid pursuant to the act when such federal funds are not  
17 received in a timely manner. Such application may be made at any  
18 time by a district suffering such financial hardship and may be for  
19 any amount up to fifty percent of the remaining amount to which  
20 the district is entitled during the current school fiscal year. The  
21 state board may grant the entire amount applied for or any portion  
22 of such amount if the state board finds that a financial hardship  
23 exists in the district. The state board shall notify the Director  
24 of Administrative Services of the amount of funds to be paid  
25 in lump sum and the reduced amount of the monthly payments. The  
26 Director of Administrative Services shall, at the time of the next  
27 state aid payment made pursuant to section 79-1022, draw a warrant

1 for the lump-sum amount from appropriated funds and forward such  
2 warrant to the district. For purposes of this subsection, financial  
3 hardship means a situation in which income to a district is  
4 exceeded by liabilities to such a degree that if early payment is  
5 not received it will be necessary for the district to discontinue  
6 vital services or functions.

7           2. On page 10, line 5, before "79-1041" insert "79-1024,  
8 79-1033,".

9           3. Renumber the remaining sections accordingly.