

AMENDMENTS TO LB 1014

Introduced by Education.

1 1. Strike the original sections and insert the following
2 new sections:

3 Section 1. The Teacher Performance Pay Fund is created.
4 The Board of Educational Lands and Funds shall remit the income
5 from solar and wind energy leases on school lands to the State
6 Treasurer for credit to the fund. The Board of Educational Lands
7 and Funds shall also remit the portion of the income from other
8 leases of school lands which relates to carbon sequestration
9 rights, as such portion is determined by the board, to the State
10 Treasurer for credit to the fund. The fund shall be exclusively
11 used for the support and maintenance of the common schools in each
12 public school district in the state by increasing public school
13 teacher salaries to provide for a higher quality of education.
14 The costs of administration shall be deducted from the fund in
15 the manner provided in section 72-232.02. Any money in the fund
16 available for investment shall be invested by the state investment
17 officer pursuant to the Nebraska Capital Expansion Act and the
18 Nebraska State Funds Investment Act.

19 For purposes of this section, lease means any lease,
20 easement, covenant, or other such contractual arrangement.

21 Sec. 2. (1) Beginning January 15, 2016, and on or before
22 the third Monday in January of each year thereafter, the State
23 Treasurer shall make a complete exhibit of all money belonging

1 to the Teacher Performance Pay Fund and deliver such exhibit duly
2 certified to the Commissioner of Education. On or before February
3 25, the Commissioner of Education shall make the apportionment
4 of such funds to each school district according to the pro rata
5 enumeration of children who are five through eighteen years of
6 age in each district last returned from the school district.
7 The calculation of apportionment for each school fiscal year
8 shall include any corrections to the prior school fiscal year's
9 apportionment.

10 (2) The Commissioner of Education shall certify the
11 amount of the apportionment of the Teacher Performance Pay Fund
12 as provided in subsection (1) of this section to the Director of
13 Administrative Services. The Director of Administrative Services
14 shall draw a warrant on the State Treasurer in favor of the
15 various districts for the respective amounts so certified by the
16 Commissioner of Education.

17 (3) Each school district shall use the funds received
18 under subsection (2) of this section for teacher performance
19 pay. For purposes of this section, teacher performance pay is
20 a systematic process for measuring teachers' performance and
21 linking the measurements to changes in teacher pay. Indicators
22 of teacher performance may include, but are not limited to,
23 improving professional skills and knowledge, classroom performance
24 or instructional behavior, and instructional outcomes. Teacher
25 performance pay may include predetermined bonus amounts and payout
26 criteria. Additional pay may be provided in addition to the salary
27 schedule for new skills and knowledge acquired through graduate

1 education programs, with demonstrated performance mastery. The
2 salary schedule provided in local collective bargaining agreements
3 shall remain intact in teacher performance pay systems. The
4 Legislature finds that teacher performance pay measurements,
5 criteria, and payout amounts define economic terms and conditions
6 of employment and, therefor, are subjects of collective bargaining.

7 Sec. 3. Section 79-1007.13, Reissue Revised Statutes of
8 Nebraska, is amended to read:

9 79-1007.13 The department shall calculate a special
10 receipts allowance for each district equal to the amount of
11 special education, state ward, and accelerated or differentiated
12 curriculum program receipts and the receipts from the Teacher
13 Performance Pay Fund included in local system formula resources
14 under subdivisions (7), (8), (16), ~~and (17)~~, and (18) of section
15 79-1018.01 attributable to the school district.

16 Sec. 4. Section 79-1018.01, Reissue Revised Statutes of
17 Nebraska, is amended to read:

18 79-1018.01 Except as otherwise provided in this section,
19 local system formula resources include other actual receipts
20 available for the funding of general fund operating expenditures
21 as determined by the department for the second school fiscal
22 year immediately preceding the school fiscal year in which aid
23 is to be paid. Receipts from the Community Improvements Cash Fund
24 and receipts acquired pursuant to the Low-Level Radioactive Waste
25 Disposal Act shall not be included. Other actual receipts include:

- 26 (1) Public power district sales tax revenue;
27 (2) Fines and license fees;

1 (3) Tuition receipts from individuals, other districts,
2 or any other source except receipts derived from adult education,
3 receipts derived from summer school tuition, receipts derived from
4 early childhood education tuition, and receipts from educational
5 entities as defined in section 79-1201.01 for providing distance
6 education courses through the Distance Education Council until July
7 1, 2008, and the Educational Service Unit Coordinating Council on
8 and after July 1, 2008, to such educational entities;

9 (4) Transportation receipts;

10 (5) Interest on investments;

11 (6) Other miscellaneous noncategorical local receipts,
12 not including receipts from private foundations, individuals,
13 associations, or charitable organizations;

14 (7) Special education receipts;

15 (8) Special education receipts and non-special education
16 receipts from the state for wards of the court and wards of the
17 state;

18 (9) All receipts from the temporary school fund.
19 Beginning with the calculation of aid for school fiscal year
20 2002-03 and each school fiscal year thereafter, receipts from
21 the temporary school fund shall only include receipts pursuant
22 to section 79-1035 and the receipt of funds pursuant to section
23 79-1036 for property leased for a public purpose as set forth in
24 subdivision (1)(a) of section 77-202;

25 (10) Motor vehicle tax receipts received on or after
26 January 1, 1998;

27 (11) Pro rata motor vehicle license fee receipts;

1 (12) Other miscellaneous state receipts excluding revenue
2 from the textbook loan program authorized by section 79-734;

3 (13) Impact aid entitlements for the school fiscal year
4 which have actually been received by the district to the extent
5 allowed by federal law;

6 (14) All other noncategorical federal receipts;

7 (15) All receipts pursuant to the enrollment option
8 program under sections 79-232 to 79-246;

9 (16) Receipts under the federal Medicare Catastrophic
10 Coverage Act of 1988, as such act existed on May 8, 2001, as
11 authorized pursuant to sections 43-2510 and 43-2511 but only to the
12 extent of the amount the local system would have otherwise received
13 pursuant to the Special Education Act; and

14 (17) Receipts for accelerated or differentiated
15 curriculum programs pursuant to sections 79-1106 to 79-1108.03;
16 and-

17 (18) Receipts from the Teacher Performance Pay Fund
18 pursuant to section 2 of this act.

19 Sec. 5. Section 79-1028.01, Revised Statutes Supplement,
20 2009, is amended to read:

21 79-1028.01 (1) For ~~school fiscal year 2008-09~~ and each
22 school fiscal year, ~~thereafter~~, a school district may exceed its
23 maximum general fund budget of expenditures minus the special
24 education budget of expenditures by a specific dollar amount for:

25 (a) Expenditures for repairs to infrastructure damaged by
26 a natural disaster which is declared a disaster emergency pursuant
27 to the Emergency Management Act;

1 (b) Expenditures for judgments, except judgments or
2 orders from the Commission of Industrial Relations, obtained
3 against a school district which require or obligate a school
4 district to pay such judgment, to the extent such judgment is not
5 paid by liability insurance coverage of a school district;

6 (c) Expenditures pursuant to the Retirement Incentive
7 Plan authorized in section 79-855 or the Staff Development
8 Assistance authorized in section 79-856;

9 (d) Expenditures of incentive payments or base fiscal
10 year incentive payments to be received in such school fiscal year
11 pursuant to section 79-1011;

12 (e) Expenditures of amounts received from educational
13 entities as defined in section 79-1201.01 for providing distance
14 education courses through the Educational Service Unit Coordinating
15 Council to such educational entities;

16 (f) Either (i) the first and second school fiscal years
17 the district will be participating in Network Nebraska for the
18 full school fiscal year or (ii) school fiscal year 2008-09, if
19 the school district participated in Network Nebraska for all of
20 school fiscal year 2007-08, for the difference of the estimated
21 expenditures for such school fiscal year for telecommunications
22 services, access to data transmission networks that transmit data
23 to and from the school district, and the transmission of data on
24 such networks as such expenditures are defined by the department
25 for purposes of the distance education and telecommunications
26 allowance minus the dollar amount of such expenditures for the
27 second school fiscal year preceding the first full school fiscal

1 year the district participates in Network Nebraska;

2 (g) Expenditures to pay another school district for the
3 transfer of land from such other school district;

4 (h) Expenditures in school fiscal years 2009-10 through
5 2013-14 to pay for employer contributions pursuant to subsection
6 (2) of section 79-958 to the School Retirement System of the
7 State of Nebraska to the extent that such expenditures exceed the
8 employer contributions under such subsection that would have been
9 made at a contribution rate of seven and thirty-five hundredths
10 percent; and

11 (i) Expenditures in school fiscal years 2009-10 through
12 2013-14 to pay for school district contributions pursuant to
13 subdivision (1)(c)(i) of section 79-9,113 to the Class V School
14 Employees Retirement System to the extent that such expenditures
15 exceed the school district contributions under such subdivision
16 that would have been made at a contribution rate of seven and
17 thirty-seven hundredths percent;—

18 ~~(2) For school fiscal year 2009-10 and each school fiscal~~
19 ~~year thereafter, a school district may exceed its maximum general~~
20 ~~fund budget of expenditures minus the special education budget of~~
21 ~~expenditures by a specific dollar amount for (a) expenditures~~

22 (j) Expenditures for sums agreed to be paid by a school
23 district to certificated employees in exchange for a voluntary
24 termination occurring prior to July 1, 2009;— and ~~(b) expenditures~~

25 (k) Expenditures for new elementary attendance sites in
26 the first year of operation or the first year of operation after
27 being closed for at least one school year if such elementary

1 attendance site will most likely qualify for the elementary site
2 allowance in the immediately following school fiscal year as
3 determined by the state board; and-

4 (1) Expenditures in school fiscal years 2016-17 and
5 2017-18 of amounts received from the Teacher Performance Pay Fund
6 pursuant to section 2 of this act.

7 ~~(3)~~ (2) The state board shall approve, deny, or modify
8 the amount allowed for any exception to the maximum general fund
9 budget of expenditures minus the special education budget of
10 expenditures pursuant to this section.

11 Sec. 6. Section 79-1035.02, Reissue Revised Statutes of
12 Nebraska, is amended to read:

13 79-1035.02 The temporary school fund is the holding fund
14 to which (1) the net income from the school lands, except for
15 the income less costs of administration derived from solar and
16 wind energy leases on school lands and from carbon sequestration
17 rights related to other leases of school lands which is credited
18 to the Teacher Performance Pay Fund under section 1 of this
19 act, (2) the interest, dividends, and any other income from the
20 permanent school fund, the net income from the school lands,
21 and (3) the money from all other sources required or provided
22 by law are credited as described in Article VII, section 9, of
23 the Constitution of Nebraska. The entire balance of the temporary
24 school fund, including all interest and any other income therefrom,
25 shall be exclusively used for the support and maintenance of the
26 common schools in each public school district in the state as the
27 Legislature provides, in accordance with Article VII, section 9,

1 of the Constitution of Nebraska, and shall be distributed to each
2 public school district annually.

3 Sec. 7. Original sections 79-1007.13, 79-1018.01, and
4 79-1035.02, Reissue Revised Statutes of Nebraska, and section
5 79-1028.01, Revised Statutes Supplement, 2009, are repealed.