

AMENDMENTS TO LB 1014

Introduced by Haar, 21.

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

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

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

22 (2) If the amount credited to the Teacher Performance Pay
23 Fund from solar and wind energy leases on school lands or from the

1 carbon sequestration rights related to other leases of school lands
2 exceeds the sum of ten million dollars at the end of any calendar
3 year, the State Treasurer shall transfer such amount in excess of
4 ten million dollars from the Teacher Performance Pay Fund to the
5 temporary school fund.

6 (3) Beginning January 15, 2016, and on or before the
7 third Monday in January of each year thereafter, the State
8 Treasurer shall make a complete exhibit of all money belonging to
9 the Teacher Performance Pay Fund, excluding any amount transferred
10 under subsection (2) of this section, and deliver such exhibit duly
11 certified to the Commissioner of Education. On or before February
12 25 after such delivery, the Commissioner of Education shall make
13 the apportionment of such funds to each school district according
14 to the pro rata enumeration of children who are five through
15 eighteen years of age in each district last returned from the
16 school district. The calculation of apportionment for each school
17 fiscal year shall include any corrections to the prior school
18 fiscal year's apportionment.

19 (4) The Commissioner of Education shall certify the
20 amount of the apportionment of the Teacher Performance Pay Fund
21 as provided in subsection (3) of this section to the Director of
22 Administrative Services. The Director of Administrative Services
23 shall draw a warrant on the State Treasurer in favor of the
24 various districts for the respective amounts so certified by the
25 Commissioner of Education.

26 (5) Each school district shall use the funds received
27 under subsection (4) of this section for teacher performance

1 pay. For purposes of this section, teacher performance pay is
2 a systematic process for measuring teachers' performance and
3 linking the measurements to changes in teacher pay. Indicators
4 of teacher performance may include, but are not limited to,
5 improving professional skills and knowledge, classroom performance
6 or instructional behavior, and instructional outcomes. Teacher
7 performance pay may include predetermined bonus amounts and payout
8 criteria. Each school district that receives funds under subsection
9 (4) of this section for teacher performance pay shall utilize such
10 funds as a supplement to the salary schedule provided in local
11 collective-bargaining agreements. For purposes of distribution of
12 such funds only, the Legislature finds that teacher performance
13 pay measurements, criteria, and payout amounts are mandatory topics
14 of collective bargaining. If a school district that receives funds
15 under subsection (4) of this section has not included a system
16 for teacher performance pay within its local collective-bargaining
17 agreement, such funds shall be returned to the State Treasurer
18 within one month of receipt of such funds. The State Treasurer
19 shall immediately credit any funds returned under this subsection
20 to the Teacher Performance Pay Fund.

21 (6) The Teacher Performance Pay Fund shall terminate
22 on June 30, 2020, unless at least seventy-five percent of the
23 school districts receiving funds under subsection (4) of this
24 section have included a system for teacher performance pay within
25 their respective local collective-bargaining agreements by January
26 1, 2020. To determine whether the fund shall terminate, the
27 Commissioner of Education, on or after January 1, 2020, shall

1 collect data from each school district to determine whether at
2 least seventy-five percent of the school districts have included a
3 system for teacher performance pay within their respective local
4 collective-bargaining agreements. If the required percentage has
5 not been met, the commissioner shall notify the State Treasurer.
6 The State Treasurer shall then transfer any amounts credited to
7 the fund from solar and wind energy leases on school lands or from
8 the carbon sequestration rights related to other leases of school
9 lands from the Teacher Performance Pay Fund to the temporary school
10 fund and transfer any remaining unexpended balance in the Teacher
11 Performance Pay Fund to the General Fund on June 30, 2020, and the
12 Teacher Performance Pay Fund shall thereafter terminate.

13 Sec. 2. Section 79-1007.13, Reissue Revised Statutes of
14 Nebraska, is amended to read:

15 79-1007.13 The department shall calculate a special
16 receipts allowance for each district equal to the amount of
17 special education, state ward, and accelerated or differentiated
18 curriculum program receipts and the receipts from the Teacher
19 Performance Pay Fund included in local system formula resources
20 under subdivisions (7), (8), (16), ~~and~~ (17), and (18) of section
21 79-1018.01 attributable to the school district.

22 Sec. 3. Section 79-1018.01, Reissue Revised Statutes of
23 Nebraska, is amended to read:

24 79-1018.01 Except as otherwise provided in this section,
25 local system formula resources include other actual receipts
26 available for the funding of general fund operating expenditures
27 as determined by the department for the second school fiscal

1 year immediately preceding the school fiscal year in which aid
2 is to be paid. Receipts from the Community Improvements Cash Fund
3 and receipts acquired pursuant to the Low-Level Radioactive Waste
4 Disposal Act shall not be included. Other actual receipts include:

5 (1) Public power district sales tax revenue;
6 (2) Fines and license fees;
7 (3) Tuition receipts from individuals, other districts,
8 or any other source except receipts derived from adult education,
9 receipts derived from summer school tuition, receipts derived from
10 early childhood education tuition, and receipts from educational
11 entities as defined in section 79-1201.01 for providing distance
12 education courses through the Distance Education Council until July
13 1, 2008, and the Educational Service Unit Coordinating Council on
14 and after July 1, 2008, to such educational entities;

15 (4) Transportation receipts;
16 (5) Interest on investments;
17 (6) Other miscellaneous noncategorical local receipts,
18 not including receipts from private foundations, individuals,
19 associations, or charitable organizations;

20 (7) Special education receipts;
21 (8) Special education receipts and non-special education
22 receipts from the state for wards of the court and wards of the
23 state;

24 (9) All receipts from the temporary school fund.
25 Beginning with the calculation of aid for school fiscal year
26 2002-03 and each school fiscal year thereafter, receipts from
27 the temporary school fund shall only include receipts pursuant

1 to section 79-1035 and the receipt of funds pursuant to section
2 79-1036 for property leased for a public purpose as set forth in
3 subdivision (1)(a) of section 77-202;

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

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

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

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

12 (14) All other noncategorical federal receipts;

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

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

20 (17) Receipts for accelerated or differentiated
21 curriculum programs pursuant to sections 79-1106 to 79-1108.03;
22 and-

23 (18) Receipts from the Teacher Performance Pay Fund
24 pursuant to section 1 of this act.

25 Sec. 4. Section 79-1028.01, Revised Statutes Supplement,
26 2009, is amended to read:

27 79-1028.01 (1) For ~~school fiscal year 2008-09~~ and each

1 school fiscal year, ~~thereafter~~, a school district may exceed its
2 maximum general fund budget of expenditures minus the special
3 education budget of expenditures by a specific dollar amount for:

4 (a) Expenditures for repairs to infrastructure damaged by
5 a natural disaster which is declared a disaster emergency pursuant
6 to the Emergency Management Act;

7 (b) Expenditures for judgments, except judgments or
8 orders from the Commission of Industrial Relations, obtained
9 against a school district which require or obligate a school
10 district to pay such judgment, to the extent such judgment is not
11 paid by liability insurance coverage of a school district;

12 (c) Expenditures pursuant to the Retirement Incentive
13 Plan authorized in section 79-855 or the Staff Development
14 Assistance authorized in section 79-856;

15 (d) Expenditures of incentive payments or base fiscal
16 year incentive payments to be received in such school fiscal year
17 pursuant to section 79-1011;

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

22 (f) Either (i) the first and second school fiscal years
23 the district will be participating in Network Nebraska for the
24 full school fiscal year or (ii) school fiscal year 2008-09, if
25 the school district participated in Network Nebraska for all of
26 school fiscal year 2007-08, for the difference of the estimated
27 expenditures for such school fiscal year for telecommunications

1 services, access to data transmission networks that transmit data
2 to and from the school district, and the transmission of data on
3 such networks as such expenditures are defined by the department
4 for purposes of the distance education and telecommunications
5 allowance minus the dollar amount of such expenditures for the
6 second school fiscal year preceding the first full school fiscal
7 year the district participates in Network Nebraska;

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

10 (h) Expenditures in school fiscal years 2009-10 through
11 2013-14 to pay for employer contributions pursuant to subsection
12 (2) of section 79-958 to the School Retirement System of the
13 State of Nebraska to the extent that such expenditures exceed the
14 employer contributions under such subsection that would have been
15 made at a contribution rate of seven and thirty-five hundredths
16 percent; and

17 (i) Expenditures in school fiscal years 2009-10 through
18 2013-14 to pay for school district contributions pursuant to
19 subdivision (1)(c)(i) of section 79-9,113 to the Class V School
20 Employees Retirement System to the extent that such expenditures
21 exceed the school district contributions under such subdivision
22 that would have been made at a contribution rate of seven and
23 thirty-seven hundredths percent;:-

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

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

4 (k) Expenditures for new elementary attendance sites in
5 the first year of operation or the first year of operation after
6 being closed for at least one school year if such elementary
7 attendance site will most likely qualify for the elementary site
8 allowance in the immediately following school fiscal year as
9 determined by the state board; ~~and~~

10 (l) Expenditures in school fiscal years 2016-17 and
11 2017-18 of amounts received from the Teacher Performance Pay Fund
12 pursuant to section 1 of this act.

13 ~~(3)~~ (2) The state board shall approve, deny, or modify
14 the amount allowed for any exception to the maximum general fund
15 budget of expenditures minus the special education budget of
16 expenditures pursuant to this section.

17 Sec. 5. Section 79-1035.02, Reissue Revised Statutes of
18 Nebraska, is amended to read:

19 79-1035.02 The temporary school fund is the holding fund
20 to which (1) the net income from the school lands, except for
21 the income less costs of administration derived from solar and
22 wind energy leases on school lands and from carbon sequestration
23 rights related to other leases of school lands which is credited
24 to the Teacher Performance Pay Fund under section 1 of this
25 act, (2) the interest, dividends, and any other income from the
26 permanent school fund, the net income from the school lands,
27 and (3) the money from all other sources required or provided

1 by law are credited as described in Article VII, section 9, of
2 the Constitution of Nebraska. The entire balance of the temporary
3 school fund, including all interest and any other income therefrom,
4 shall be exclusively used for the support and maintenance of the
5 common schools in each public school district in the state as the
6 Legislature provides, in accordance with Article VII, section 9,
7 of the Constitution of Nebraska, and shall be distributed to each
8 public school district annually.

9 Sec. 6. Original sections 79-1007.13, 79-1018.01, and
10 79-1035.02, Reissue Revised Statutes of Nebraska, and section
11 79-1028.01, Revised Statutes Supplement, 2009, are repealed.