

E AND R AMENDMENTS TO LB 392

Introduced by Enrollment and Review Committee: Nordquist, 7,
Chairperson

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

3 Section 1. Section 11-119, Reissue Revised Statutes of
4 Nebraska, is amended to read:

5 11-119 The following named officers shall execute a bond
6 with penalties of the following amounts:

7 (1) The Governor, one hundred thousand dollars;

8 (2) The Lieutenant Governor, one hundred thousand
9 dollars;

10 (3) The Auditor of Public Accounts, one hundred thousand
11 dollars;

12 (4) The Secretary of State, one hundred thousand dollars;

13 (5) The Attorney General, one hundred thousand dollars;

14 (6) The State Treasurer, not less than one million
15 dollars and not more than double the amount of money that may come
16 into his or her hands, to be fixed by the Governor;

17 (7) Each county attorney, a sum not less than one
18 thousand dollars to be fixed by the county board;

19 (8) Each clerk of the district court, not less than five
20 thousand dollars or more than one hundred thousand dollars to be
21 determined by the county board;

22 (9) Each county clerk, not less than one thousand dollars
23 or more than one hundred thousand dollars to be determined by the

1 county board, except that when a county clerk also has the duties
2 of other county offices the minimum bond shall be two thousand
3 dollars;

4 (10) Each county treasurer, not less than ten thousand
5 dollars and not more than the amount of money that may come into
6 his or her hands, to be determined by the county board;

7 (11) Each sheriff, in counties of not more than twenty
8 thousand inhabitants, five thousand dollars, and in counties over
9 twenty thousand inhabitants, ten thousand dollars;

10 (12) Each district superintendent of public instruction,
11 one thousand dollars;

12 (13) Each county surveyor, five hundred dollars;

13 (14) Each county commissioner or supervisor, in counties
14 of not more than twenty thousand inhabitants, one thousand dollars,
15 in counties over twenty thousand and not more than thirty thousand
16 inhabitants, two thousand dollars, in counties over thirty thousand
17 and not more than fifty thousand inhabitants, three thousand
18 dollars, and in counties over fifty thousand inhabitants, five
19 thousand dollars;

20 (15) Each register of deeds in counties having a
21 population of more than sixteen thousand five hundred inhabitants,
22 not less than two thousand dollars or more than one hundred
23 thousand dollars to be determined by the county board;

24 (16) Each township clerk, two hundred fifty dollars;

25 (17) Each township treasurer, two thousand dollars;

26 (18) Each county assessor, not more than five thousand
27 dollars and not less than two thousand dollars;

1 (19) Each school district treasurer, not less than five
2 hundred dollars or more than double the amount of money that may
3 come into his or her hands, the amount to be fixed by the president
4 and secretary of the district;

5 (20) Each road overseer, two hundred fifty dollars;

6 (21) Each member of a county weed district board and the
7 manager thereof, such amount as may be determined by the county
8 board of commissioners or supervisors of each county with the same
9 amount to apply to each member of any particular board; ~~and~~

10 (22) In any county, in lieu of the individual bonds
11 required to be furnished by county officers, a schedule, position,
12 or blanket bond or undertaking may be given by county officers, or
13 a single corporate surety fidelity, schedule, position, or blanket
14 bond or undertaking covering all the officers, including officers
15 required by law to furnish an individual bond or undertaking, may
16 be furnished. The county may pay the premium for the bond. The bond
17 shall be, at a minimum, an aggregate of the amounts fixed by law
18 or by the person or board authorized by law to fix the amounts,
19 and with such terms and conditions as may be required by sections
20 11-101 to 11-130; and -

21 (23) Each learning community coordinating council
22 treasurer, not less than five hundred dollars or more than double
23 the amount of money that may come into his or her hands, the amount
24 to be fixed by the learning community coordinating council.

25 All other state officers, department heads, and employees
26 shall be bonded or insured as required by section 11-201.

27 Sec. 2. Section 13-503, Reissue Revised Statutes of

1 Nebraska, is amended to read:

2 13-503 For purposes of the Nebraska Budget Act, unless
3 the context otherwise requires:

4 (1) Governing body shall mean the governing body of
5 any county agricultural society, elected county fair board, joint
6 airport authority formed under the Joint Airport Authorities
7 Act, city or county airport authority, bridge commission created
8 pursuant to section 39-868, cemetery district, city, village,
9 municipal county, community college, community redevelopment
10 authority, county, drainage or levee district, educational
11 service unit, rural or suburban fire protection district,
12 historical society, hospital district, irrigation district,
13 learning community, natural resources district, nonprofit county
14 historical association or society for which a tax is levied under
15 subsection (1) of section 23-355.01, public building commission,
16 railroad transportation safety district, reclamation district,
17 road improvement district, rural water district, school district,
18 sanitary and improvement district, township, offstreet parking
19 district, transit authority, metropolitan utilities district,
20 Educational Service Unit Coordinating Council, and political
21 subdivision with the authority to have a property tax request, with
22 the authority to levy a toll, or that receives state aid;

23 (2) Levying board shall mean any governing body which has
24 the power or duty to levy a tax;

25 (3) Fiscal year shall mean the twelve-month period used
26 by each governing body in determining and carrying on its financial
27 and taxing affairs;

1 (4) Tax shall mean any general or special tax levied
2 against persons, property, or business for public purposes as
3 provided by law but shall not include any special assessment;

4 (5) Auditor shall mean the Auditor of Public Accounts;

5 (6) Cash reserve shall mean funds required for the period
6 before revenue would become available for expenditure but shall not
7 include funds held in any special reserve fund;

8 (7) Public funds shall mean all money, including nontax
9 money, used in the operation and functions of governing bodies.
10 For purposes of a county, city, or village which has a lottery
11 established under the Nebraska County and City Lottery Act, only
12 those net proceeds which are actually received by the county, city,
13 or village from a licensed lottery operator shall be considered
14 public funds, and public funds shall not include amounts awarded as
15 prizes;

16 (8) Adopted budget statement shall mean a proposed budget
17 statement which has been adopted or amended and adopted as provided
18 in section 13-506. Such term shall include additions, if any, to an
19 adopted budget statement made by a revised budget which has been
20 adopted as provided in section 13-511;

21 (9) Special reserve fund shall mean any special fund
22 set aside by the governing body for a particular purpose and not
23 available for expenditure for any other purpose. Funds created
24 for (a) the retirement of bonded indebtedness, (b) the funding
25 of employee pension plans, (c) the purposes of the Political
26 Subdivisions Self-Funding Benefits Act, (d) the purposes of the
27 Local Option Municipal Economic Development Act, (e) voter-approved

1 sinking funds, or (f) statutorily authorized sinking funds, ~~or (g)~~
2 ~~the distribution of property tax receipts by a learning community~~
3 ~~to member school districts~~ shall be considered special reserve
4 funds;

5 (10) Biennial period shall mean the two fiscal years
6 comprising a biennium commencing in odd-numbered years used by
7 a city in determining and carrying on its financial and taxing
8 affairs; and

9 (11) Biennial budget shall mean a budget by a city of
10 the primary or metropolitan class that adopts a charter provision
11 providing for a biennial period to determine and carry on the
12 city's financial and taxing affairs.

13 Sec. 3. Section 13-903, Reissue Revised Statutes of
14 Nebraska, is amended to read:

15 13-903 For purposes of the Political Subdivisions Tort
16 Claims Act and sections 16-727, 16-728, 23-175, 39-809, and 79-610,
17 unless the context otherwise requires:

18 (1) Political subdivision shall include villages, cities
19 of all classes, counties, school districts, learning communities,
20 public power districts, and all other units of local government,
21 including entities created pursuant to the Interlocal Cooperation
22 Act or Joint Public Agency Act. Political subdivision shall not be
23 construed to include any contractor with a political subdivision;

24 (2) Governing body shall mean the village board of a
25 village, the city council of a city, the board of commissioners
26 or board of supervisors of a county, the board of directors of a
27 public power district, the governing board or other governing body

1 of an entity created pursuant to the Interlocal Cooperation Act or
2 Joint Public Agency Act, and any duly elected or appointed body
3 holding the power and authority to determine the appropriations and
4 expenditures of any other unit of local government;

5 (3) Employee of a political subdivision shall mean any
6 one or more officers or employees of the political subdivision or
7 any agency of the subdivision and shall include members of the
8 governing body, duly appointed members of boards or commissions
9 when they are acting in their official capacity, volunteer
10 firefighters, and volunteer rescue squad personnel. Employee shall
11 not be construed to include any contractor with a political
12 subdivision; and

13 (4) Tort claim shall mean any claim against a political
14 subdivision for money only on account of damage to or loss of
15 property or on account of personal injury or death, caused by
16 the negligent or wrongful act or omission of any employee of the
17 political subdivision, while acting within the scope of his or her
18 office or employment, under circumstances in which the political
19 subdivision, if a private person, would be liable to the claimant
20 for such damage, loss, injury, or death but shall not include any
21 claim accruing before January 1, 1970.

22 Sec. 4. Section 13-2202, Reissue Revised Statutes of
23 Nebraska, is amended to read:

24 13-2202 For purposes of the Local Government
25 Miscellaneous Expenditure Act:

26 (1) Elected and appointed officials and employees shall
27 mean the elected and appointed officials and employees of any local

1 government;

2 (2) Governing body shall mean, in the case of a city
3 of any class, the council; in the case of a village, cemetery
4 district, community hospital for two or more adjoining counties,
5 county hospital, road improvement district, sanitary drainage
6 district, or sanitary and improvement district, the board of
7 trustees; in the case of a county, the county board; in the
8 case of a municipal county, the council; in the case of a
9 township, the town board; in the case of a school district, the
10 school board; in the case of a rural or suburban fire protection
11 district, reclamation district, natural resources district, or
12 hospital district, the board of directors; in the case of a health
13 district, the board of health; in the case of an educational
14 service unit, the board; in the case of a community college, the
15 Community College Board of Governors for the area the board serves;
16 in the case of an airport authority, the airport authority board;
17 in the case of a weed control authority, the board; ~~and~~ in the
18 case of a county agricultural society, the board of governors;
19 and in the case of a learning community, the learning community
20 coordinating council;

21 (3) Local government shall mean cities of any class,
22 villages, cemetery districts, community hospitals for two or more
23 adjoining counties, county hospitals, road improvement districts,
24 counties, townships, sanitary drainage districts, sanitary and
25 improvement districts, school districts, rural or suburban fire
26 protection districts, reclamation districts, natural resources
27 districts, hospital districts, health districts, educational

1 service units, community colleges, airport authorities, weed
2 control authorities, ~~and~~ county agricultural societies, and
3 learning communities;

4 (4) Public funds shall mean such public funds as defined
5 in section 13-503 as are under the direct control of governing
6 bodies of local governments;

7 (5) Public meeting shall mean all regular, special, or
8 called meetings, formal or informal, of any governing body for the
9 purposes of briefing, discussion of public business, formation of
10 tentative policy, or the taking of any action of the governing
11 body; and

12 (6) Volunteer shall mean a person who is not an elected
13 or appointed official or an employee of a local government and
14 who, at the request or with the permission of the local government,
15 engages in activities related to the purposes or functions of the
16 local government or for its general benefit.

17 Sec. 5. Section 32-546.01, Reissue Revised Statutes of
18 Nebraska, is amended to read:

19 32-546.01 (1) Each learning community shall be governed
20 by a learning community coordinating council consisting of eighteen
21 voting members, with twelve members elected on a nonpartisan ballot
22 from six numbered ~~election~~ subcouncil districts created pursuant
23 to section 32-555.01 and with six members appointed from such
24 ~~election~~ subcouncil districts pursuant to this section. Each voter
25 shall be allowed to cast votes for one candidate at both the
26 primary and general elections to represent the ~~election~~ subcouncil
27 district in which the voter resides. The four candidates receiving

1 the most votes at the primary election shall advance to the
2 general election. The two candidates receiving the most votes at
3 the general election shall be elected. A candidate shall reside
4 in the ~~election~~ subcouncil district for which he or she is a
5 candidate. ~~No primary election for the office of learning community~~
6 ~~coordinating council shall be held.~~ Coordinating council members
7 shall be elected on the nonpartisan ballot.

8 (2) The initial elected members shall be nominated at
9 the statewide primary election and elected at the statewide
10 general election immediately following the certification of the
11 establishment of the learning community, and subsequent members
12 shall be nominated at subsequent statewide primary elections
13 and elected at subsequent statewide general elections. Except
14 as provided in this section, such elections shall be conducted
15 pursuant to the Election Act.

16 (3) Vacancies in office for elected members shall occur
17 as set forth in section 32-560. Whenever any such vacancy occurs,
18 the remaining elected members of such council shall appoint an
19 individual residing within the geographical boundaries of the
20 ~~election~~ subcouncil district for the balance of the unexpired term.

21 (4) Members elected to represent odd-numbered districts
22 in the first election for the learning community coordinating
23 council shall be elected for two-year terms. Members elected
24 to represent even-numbered districts in the first election for
25 the learning community coordinating council shall be elected for
26 four-year terms. Members elected in subsequent elections shall be
27 elected for four-year terms and until their successors are elected

1 and qualified.

2 (5) The appointed members shall be appointed in November
3 of each even-numbered year after the general election. Appointed
4 members shall be school board members of school districts in the
5 learning community either elected to take office the following
6 January or continuing their current term of office for the
7 following two years. For learning communities to be established
8 the following January pursuant to orders issued pursuant to section
9 79-2102, the Secretary of State shall hold a meeting of the school
10 board members of the school districts in such learning community
11 to appoint one member from such school boards to represent each of
12 the ~~election~~ subcouncil districts on the coordinating council of
13 such learning community. For subsequent appointments, the current
14 appointed members of the coordinating council shall hold a meeting
15 of the school board members of such school districts to appoint
16 one member from such school boards to represent each of the
17 ~~election~~ subcouncil districts on the coordinating council of
18 the learning community. The appointed members shall be selected
19 by the school board members of the school districts in the
20 learning community who reside in the ~~election~~ subcouncil district
21 to be represented pursuant to a secret ballot, shall reside in
22 the ~~election~~ subcouncil district to be represented, and shall
23 be appointed for two-year terms and until their successors are
24 appointed and qualified.

25 (6) Vacancies in office for appointed members shall
26 occur upon the resignation, death, or disqualification from
27 office of an appointed member. Disqualification from office

1 shall include ceasing membership on the school board for which
2 membership qualified the member for the appointment to the learning
3 community coordinating council or ceasing to reside in the ~~election~~
4 subcouncil district represented by such member of the learning
5 community coordinating council. Whenever such vacancy occurs, the
6 remaining appointed members shall hold a meeting of the school
7 board members of the school districts in such learning community to
8 appoint a member from such school boards who lives in the ~~election~~
9 subcouncil district to be represented to serve for the balance of
10 the unexpired term.

11 (7) Each learning community coordinating council shall
12 also have a nonvoting member from each member school district which
13 does not have either an elected or an appointed member who resides
14 in the school district on the council. Such nonvoting members
15 shall be appointed by the school board of the school district
16 to be represented to serve for two-year terms, and notice of the
17 nonvoting member selected shall be submitted to the Secretary of
18 State by such board prior to December 31 of each even-numbered
19 year. Each such nonvoting member shall be a resident of the
20 appointing school district and shall not be a school administrator
21 employed by such school district. Whenever a vacancy occurs, the
22 school board of such school district shall appoint a new nonvoting
23 member and submit notice to the Secretary of State and to the
24 learning community coordinating council.

25 (8) Members of a learning community coordinating council
26 shall take office on the first Thursday after the first Tuesday
27 in January following their election or appointment, except that

1 members appointed to fill vacancies shall take office immediately
2 following administration of the oath of office. Each voting member
3 shall be paid a per diem in an amount determined by such council up
4 to two hundred dollars per day for official meetings of the council
5 and the achievement subcouncil for which he or she is a member, up
6 to a maximum of twelve thousand dollars per fiscal year, and shall
7 be eligible for reimbursement of reasonable expenses related to
8 service on the learning community coordinating council as provided
9 in sections 81-1174 to 81-1177.

10 Sec. 6. Section 32-555.01, Reissue Revised Statutes of
11 Nebraska, is amended to read:

12 32-555.01 The election commissioners of the applicable
13 counties, pursuant to certification of the establishment of a
14 learning community pursuant to section 79-2102, shall divide the
15 territory of the new learning community into six numbered districts
16 for the purpose of electing members to the learning community
17 coordinating council in compliance with section 32-553 and for
18 the purpose of organizing achievement subcouncils pursuant to
19 section 79-2117. Such districts shall be compact and contiguous
20 and substantially equal in population. The newly established
21 ~~election~~ subcouncil districts shall be certified to the Secretary
22 of State on or before November 1 immediately following such
23 certification. The newly established ~~election~~ subcouncil districts
24 shall apply beginning with the election of the first council
25 members for such learning community. Following the drawing of
26 initial ~~election~~ subcouncil districts pursuant to this section,
27 additional redistricting thereafter shall be undertaken by the

1 learning community coordinating council according to section
2 32-553.

3 Sec. 7. Section 32-606, Reissue Revised Statutes of
4 Nebraska, is amended to read:

5 32-606 (1) Any candidate may place his or her name on
6 the primary election ballot by filing a candidate filing form
7 prescribed by the Secretary of State as provided in section 32-607.
8 If a candidate for an elective office is an incumbent, the deadline
9 for filing the candidate filing form shall be February 15 prior
10 to the date of the primary election. No incumbent who resigns
11 from elective office prior to the expiration of his or her term
12 shall file for any office after February 15 of that election year.
13 All other candidates shall file for office by March 1 prior to
14 the date of the primary election. A candidate filing form may be
15 transmitted by facsimile for the offices listed in subdivision (1)
16 of section 32-607 if (a) the transmission is received in the office
17 of the filing officer by the filing deadline and (b) the original
18 filing form is mailed to the filing officer with a legible postmark
19 bearing a date on or prior to the filing deadline and is in the
20 office of the filing officer no later than seven days after the
21 filing deadline.

22 (2) Any candidate for a township office in a county
23 under township organization, the board of trustees of a village,
24 the board of directors of a reclamation district, the county
25 weed district board, the board of directors of a public power
26 district receiving annual gross revenue of less than forty million
27 dollars, the school board of a Class II school district, a

1 ~~learning community coordinating council,~~ or the board of an
2 educational service unit may place his or her name on the general
3 election ballot by filing a candidate filing form prescribed by the
4 Secretary of State as provided in section 32-607. If a candidate
5 for an elective office is an incumbent, the deadline for filing
6 the candidate filing form shall be July 15 prior to the date of
7 the general election. No incumbent who resigns from elective office
8 prior to the expiration of his or her term shall file for any
9 office after July 15 of that election year. All other candidates
10 shall file for office by August 1 prior to the date of the general
11 election. A candidate filing form may be transmitted by facsimile
12 for the offices listed in subdivision (1) of section 32-607 if (a)
13 the transmission is received in the office of the filing officer
14 by the filing deadline and (b) the original filing form is mailed
15 to the filing officer with a legible postmark bearing a date on or
16 prior to the filing deadline and is in the office of the filing
17 officer no later than seven days after the filing deadline.

18 (3) Any city having a home rule charter may provide for
19 filing deadlines for any person desiring to be a candidate for the
20 office of council member or mayor.

21 Sec. 8. Section 77-2704.15, Revised Statutes Cumulative
22 Supplement, 2008, is amended to read:

23 77-2704.15 (1) Sales and use taxes shall not be imposed
24 on the gross receipts from the sale, lease, or rental of and
25 the storage, use, or other consumption in this state of purchases
26 by the state, including public educational institutions recognized
27 or established under the provisions of Chapter 85, or by any

1 county, township, city, village, rural or suburban fire protection
2 district, city airport authority, county airport authority, joint
3 airport authority, drainage district organized under sections
4 31-401 to 31-450, natural resources district, elected county fair
5 board, housing agency as defined in section 71-1575 except for
6 purchases for any commercial operation that does not exclusively
7 benefit the residents of an affordable housing project, or joint
8 entity or agency formed to fulfill the purposes described in the
9 Integrated Solid Waste Management Act by any combination of two
10 or more counties, townships, cities, or villages pursuant to the
11 Interlocal Cooperation Act, the Integrated Solid Waste Management
12 Act, or the Joint Public Agency Act, except for purchases for use
13 in the business of furnishing gas, water, electricity, or heat, or
14 by any irrigation or reclamation district, the irrigation division
15 of any public power and irrigation district, or public schools or
16 learning communities established under Chapter 79.

17 (2) The appointment of purchasing agents shall be
18 recognized for the purpose of altering the status of the
19 construction contractor as the ultimate consumer of building
20 materials which are physically annexed to the structure and which
21 subsequently belong to the state or the governmental unit. The
22 appointment of purchasing agents shall be in writing and occur
23 prior to having any building materials annexed to real estate in
24 the construction, improvement, or repair. The contractor who has
25 been appointed as a purchasing agent may apply for a refund of or
26 use as a credit against a future use tax liability the tax paid
27 on inventory items annexed to real estate in the construction,

1 improvement, or repair of a project for the state or a governmental
2 unit.

3 (3) Any governmental unit listed in subsection (1) of
4 this section, except the state, which enters into a contract
5 of construction, improvement, or repair upon property annexed to
6 real estate without first issuing a purchasing agent authorization
7 to a contractor or repairperson prior to the building materials
8 being annexed to real estate in the project may apply to the Tax
9 Commissioner for a refund of any sales and use tax paid by the
10 contractor or repairperson on the building materials physically
11 annexed to real estate in the construction, improvement, or repair.

12 Sec. 9. Section 79-575, Reissue Revised Statutes of
13 Nebraska, is amended to read:

14 79-575 The secretary of a school district shall draw and
15 sign all orders upon the treasurer for all money to be disbursed
16 by the district and all warrants upon the county treasurer for
17 money raised for district purposes or apportioned to the district
18 by the county treasurer and shall present the same to the president
19 to be countersigned. No warrant, check, or other instrument drawn
20 upon bank depository funds of the district shall be issued until
21 so countersigned. No warrant, check, or other instrument drawn upon
22 bank depository funds of the district shall be countersigned by the
23 president until the amount for which ~~the warrant~~ it is drawn is
24 written upon its face. Facsimile signatures of board members may
25 be used, and a person or persons delegated by the board may sign
26 and validate all warrants, checks, and other instruments drawn upon
27 bank depository funds of the district.

1 Sec. 10. Section 79-592, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 79-592 The treasurer of a Class V school district shall
4 receive all taxes of the school district from the county treasurer.
5 The treasurer of the school district shall attend all meetings of
6 the board of education of the Class V district when required to
7 do so, shall prepare and submit in writing a monthly report of
8 the state of the district's finances, and shall pay school money
9 ~~only~~ either upon a warrant signed by the president, or in the
10 president's absence by the vice president, and countersigned by
11 the secretary or upon a check or other instrument drawn upon bank
12 depository funds of the school district. The treasurer shall also
13 perform such other duties as designated by the board of education.
14 Before entering into the discharge of his or her duties and during
15 the entire time he or she so serves, the treasurer shall give
16 bond or evidence of equivalent insurance coverage payable to the
17 board in such amount as may be required by the board, but in no
18 event less than two hundred thousand dollars, conditioned for the
19 faithful discharge of his or her duties as treasurer of the school
20 district, for the safekeeping and proper disbursement of all funds
21 and money of the school district received by the treasurer. Such
22 bond shall be signed by one or more surety companies of recognized
23 responsibility, to be approved by the board. The cost of the bond
24 or insurance shall be paid by the school district. Such bond or
25 insurance coverage may be enlarged at any time the board may deem
26 an enlargement or additional bond or insurance coverage to be
27 necessary.

1 Sec. 11. Section 79-1024, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 79-1024 (1) The department may require each district
4 to submit to the department a duplicate copy of such portions
5 of the district's budget statement as the Commissioner of
6 Education directs. The department may verify any data used
7 to meet the requirements of the Tax Equity and Educational
8 Opportunities Support Act. The Auditor of Public Accounts shall
9 review each district's budget statement for statutory compliance,
10 make necessary changes in the budget documents for districts to
11 effectuate the budget limitations imposed pursuant to sections
12 79-1023 to 79-1030, and notify the Commissioner of Education of
13 any district failing to submit to the auditor the budget documents
14 required pursuant to this subsection by the date established in
15 subsection (1) of section 13-508 or failing to make any corrections
16 of errors in the documents pursuant to section 13-504 or 13-511.

17 (2) If a school district fails to submit to the
18 department or the auditor the budget documents required pursuant
19 to subsection (1) of this section by the date established in
20 subsection (1) of section 13-508 or fails to make any corrections
21 of errors in the documents pursuant to section 13-504 or 13-511,
22 the commissioner, upon notification from the auditor or upon his
23 or her own knowledge that the required budget documents and any
24 required corrections of errors from any school district have not
25 been properly filed in accordance with the Nebraska Budget Act
26 and after notice to the district and an opportunity to be heard,
27 shall direct that any state aid granted pursuant to the Tax Equity

1 and Educational Opportunities Support Act be withheld until such
2 time as the required budget documents or corrections of errors
3 are received by the auditor and the department. In addition, the
4 commissioner shall direct the county treasurer to withhold all
5 school money belonging to the school district until such time as
6 the commissioner notifies the county treasurer of receipt of the
7 required budget documents or corrections of errors. The county
8 treasurer shall withhold such money. For school districts that are
9 members of learning communities, a determination of school money
10 belonging to the district shall be based on the proportionate
11 share of property tax receipts allocated to the school district
12 by the learning community coordinating council, and the ~~learning~~
13 ~~community coordinating council~~ county treasurer shall withhold any
14 such school money in the possession of the ~~learning community~~
15 ~~coordinating council~~ county treasurer from the school district.
16 If the school district does not comply with this section prior
17 to the end of the state's biennium following the biennium which
18 included the fiscal year for which state aid was calculated, the
19 state aid funds shall revert to the General Fund. The amount
20 of any reverted funds shall be included in data provided to the
21 Governor in accordance with section 79-1031. The board of any
22 district failing to submit to the department or the auditor the
23 budget documents required pursuant to this section by the date
24 established in subsection (1) of section 13-508 or failing to make
25 any corrections of errors in the documents pursuant to section
26 13-504 or 13-511 shall be liable to the school district for all
27 school money which such district may lose by such failing.

1 Sec. 12. Section 79-1033, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 79-1033 (1) Except as otherwise provided in the Tax
4 Equity and Educational Opportunities Support Act, state aid payable
5 pursuant to the act for each school fiscal year shall be based upon
6 data found in applicable reports for the most recently available
7 complete data year. The annual financial reports and the annual
8 statistical summary of all school districts shall be submitted to
9 the Commissioner of Education pursuant to the dates prescribed in
10 section 79-528. If a school district fails to timely submit its
11 reports, the commissioner, after notice to the district and an
12 opportunity to be heard, shall direct that any state aid granted
13 pursuant to the act be withheld until such time as the reports
14 are received by the department. In addition, the commissioner shall
15 direct the county treasurer to withhold all school money belonging
16 to the school district until such time as the commissioner notifies
17 the county treasurer of receipt of such reports. The county
18 treasurer shall withhold such money. For school districts that are
19 members of learning communities, a determination of school money
20 belonging to the district shall be based on the proportionate share
21 of state aid and property tax receipts allocated to the school
22 district by the learning community coordinating council, and the
23 ~~county treasurer of the learning community coordinating council~~
24 shall withhold any such school money in the possession of the
25 ~~learning community coordinating council~~ county treasurer from the
26 school district. If the school district does not comply with this
27 section prior to the end of the state's biennium following the

1 biennium which included the school fiscal year for which state aid
2 was calculated, the state aid funds shall revert to the General
3 Fund. The amount of any reverted funds shall be included in data
4 provided to the Governor in accordance with section 79-1031.

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

1 Sec. 13. Section 79-1041, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 79-1041 Each county treasurer of a county with territory
4 in a learning community shall distribute any funds collected by
5 such county treasurer from the common general fund levy and the
6 common building fund levy of such learning community to each member
7 school district pursuant to sections 79-1073 and 79-1073.01 at
8 least once each month.

9 Each county treasurer shall, upon request of a majority
10 of the members of the school board or board of education in
11 any school district, at least once each month distribute to the
12 district any funds collected by such county treasurer for school
13 purposes.

14 Sec. 14. Section 79-1073, Reissue Revised Statutes of
15 Nebraska, is amended to read:

16 79-1073 On or before September 1 for each year, each
17 learning community coordinating council shall determine the
18 expected amounts to be distributed by the county treasurers to
19 each member school district from general fund property tax receipts
20 pursuant to subdivision (2)(b) of section 77-3442 and shall certify
21 such amounts to each member school district, the county treasurer
22 for each county containing territory in the learning community,
23 and the State Department of Education. For the first three school
24 fiscal years for which the learning community levies a common
25 general fund property tax for school districts, such property
26 tax receipts shall be divided among member school districts
27 proportionally based on the greater of (1) the difference of the

1 school district's formula need calculated pursuant to the Tax
2 Equity and Educational Opportunities Support Act minus the sum
3 of the state aid certified pursuant to section 79-1022 and the
4 other actual receipts included in local system formula resources
5 pursuant to section 79-1018.01 for the school fiscal year for
6 which the distribution is being made or (2) the difference of
7 the sum of the state aid certified for the school fiscal year
8 immediately preceding the first school fiscal year for which the
9 learning community levies a common general fund property tax
10 for school districts plus the product of the school district's
11 general fund levy for such school fiscal year multiplied by the
12 assessed valuation for such school fiscal year minus the state aid
13 certified pursuant to section 79-1022 for the school fiscal year
14 for which the distribution is being made. Thereafter, such property
15 tax receipts shall be divided among member school districts
16 proportionally based on the difference of the school district's
17 formula need calculated pursuant to section 79-1007.11 minus the
18 sum of the state aid certified pursuant to section 79-1022 and the
19 other actual receipts included in local system formula resources
20 pursuant to section 79-1018.01 for the school fiscal year for which
21 the distribution is being made.

22 Each time a learning community coordinating council the
23 county treasurer distributes property tax receipts from the common
24 general fund levy to member school districts, the amount to be
25 distributed to each district shall be proportional based on the
26 total amounts to be distributed to each member school district for
27 the school fiscal year.

1 Sec. 15. Section 79-1073.01, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 79-1073.01 Amounts levied by learning communities for
4 special building funds for member school districts pursuant to
5 subdivision (2)(g) of section 77-3442 shall be distributed by the
6 county treasurer collecting such levy proceeds to all member school
7 districts proportionally based on the formula students used in the
8 most recent certification of state aid pursuant to section 79-1022.

9 Any amounts distributed pursuant to this section shall be
10 used by the member school districts for special building funds.

11 Sec. 16. Section 79-2104, Reissue Revised Statutes of
12 Nebraska, is amended to read:

13 79-2104 A learning community coordinating council shall
14 have the authority to:

15 (1) Levy ~~and distribute~~ a common levy for the general
16 funds of member school districts pursuant to sections 77-3442 and
17 79-1073;

18 (2) Levy ~~and distribute~~ a common levy for the special
19 building funds of member school districts pursuant to sections
20 77-3442 and 79-1073.01;

21 (3) Levy for capital projects approved by the learning
22 community coordinating council pursuant to sections 77-3442 and
23 79-2111;

24 (4) Collect, analyze, and report data and information,
25 including, but not limited to, information provided by a school
26 district pursuant to subsection (5) of section 79-201;

27 (5) Approve focus schools and focus programs to be

1 operated by member school districts;

2 (6) Adopt, approve, and implement a diversity plan which
3 shall include open enrollment and may include focus schools, focus
4 programs, magnet schools, and pathways pursuant to section 79-2110;

5 (7) Administer the open enrollment provisions in section
6 79-2110 for the learning community as part of a diversity plan
7 developed by the council to provide educational opportunities which
8 will result in increased diversity in schools across the learning
9 community;

10 (8) Annually conduct school fairs to provide students and
11 parents the opportunity to explore the educational opportunities
12 available at each school in the learning community and develop
13 other methods for encouraging access to such information and
14 promotional materials;

15 (9) Develop and approve reorganization plans for
16 submission pursuant to the Learning Community Reorganization Act;

17 (10) Establish and administer elementary learning centers
18 through achievement subcouncils pursuant to sections 79-2112 to
19 79-2114;

20 (11) Administer the learning community funds distributed
21 to the learning community pursuant to section 79-2111;

22 (12) Approve or disapprove poverty plans and limited
23 English proficiency plans for member school districts through
24 achievement subcouncils established under section 79-2117;

25 (13) Establish a procedure for receiving community input
26 and complaints regarding the learning community; and

27 (14) Establish a procedure to assist parents, citizens,

1 and member school districts in accessing an approved center
2 pursuant to the Dispute Resolution Act to resolve disputes
3 involving member school districts or the learning community. Such
4 procedure may include payment by the learning community for some
5 mediation services.

6 Sec. 17. Section 79-2113, Reissue Revised Statutes of
7 Nebraska, is amended to read:

8 79-2113 (1) On or before ~~July~~ the second June 1
9 immediately following the establishment of a new learning
10 community, the learning community coordinating council shall
11 establish at least one elementary learning center for each
12 twenty-five elementary schools in which at least thirty-five
13 percent of the students attending the school who reside
14 in the attendance area of such school qualify for free or
15 reduced-price lunches. The council shall determine how many of
16 the initial elementary learning centers shall be located in each
17 subcouncil district on or before June 1 immediately following the
18 establishment of a new learning community.

19 (2) Each achievement subcouncil shall submit a plan to
20 the learning community coordinating council for any elementary
21 learning center in its ~~election~~ subcouncil district and the
22 services to be provided by such elementary learning center. In
23 developing the plan, the achievement subcouncil shall seek input
24 from community resources and collaborate with such resources in
25 order to maximize the available opportunities and the participation
26 of elementary students and their families. An achievement
27 subcouncil may, as part of such plan, recommend services be

1 provided through contracts with, or grants to, entities other
2 than school districts to provide some or all of the services.
3 Such entities may include collaborative groups which may include
4 the participation of a school district. An achievement subcouncil
5 may also, as part of such plan, recommend that the elementary
6 learning center serve as a clearinghouse for recommending
7 programs provided by school districts or other entities and
8 that the elementary learning center assist students in accessing
9 such programs. The plans for the initial elementary learning
10 centers shall be submitted by the achievement subcouncils to the
11 coordinating council on or before January 1 immediately following
12 the establishment of a new learning community.

13 (3) Each elementary learning center shall have at least
14 one facility that is located in an area with a high concentration
15 of poverty. Such facility may be owned or leased by the learning
16 community, or the use of the facility may be donated to the
17 learning community. Programs offered by the elementary learning
18 center may be offered in such facility or in other facilities,
19 including school buildings.

20 Sec. 18. Section 79-2117, Reissue Revised Statutes of
21 Nebraska, is amended to read:

22 79-2117 Each learning community coordinating council
23 shall ~~designate the three voting members representing each election~~
24 ~~district as the~~ have an achievement subcouncil for ~~such election~~
25 each subcouncil district. Each achievement subcouncil shall consist
26 of the three voting coordinating council members representing
27 the subcouncil district plus any nonvoting coordinating council

1 members choosing to participate who represent a school district
2 that has territory within the subcouncil district. The voting
3 coordinating council members shall also be the voting members on
4 the achievement subcouncil. Each achievement subcouncil shall meet
5 as necessary but shall meet and conduct a public hearing within its
6 ~~election~~ subcouncil district at least once each school year. Each
7 achievement subcouncil shall:

8 (1) Develop a diversity plan recommendation for the
9 territory in its ~~election~~ subcouncil district that will provide
10 educational opportunities which will result in increased diversity
11 in schools in the ~~election~~ subcouncil district;

12 (2) Administer elementary learning centers in cooperation
13 with the elementary learning center executive director;

14 (3) Review and approve or disapprove of the poverty plans
15 and limited English proficiency plans for the schools located in
16 its ~~election~~ subcouncil district;

17 (4) Receive community input and complaints regarding
18 the learning community and academic achievement in the ~~election~~
19 subcouncil district; and

20 (5) Hold public hearings at its discretion in its
21 ~~election~~ subcouncil district in response to issues raised by
22 residents of the ~~election~~ subcouncil district regarding the
23 learning community, a member school district, and academic
24 achievement in the ~~election~~ subcouncil district.

25 Sec. 19. Section 79-2118, Reissue Revised Statutes of
26 Nebraska, is amended to read:

27 79-2118 (1) Each learning community, together with its

1 member school districts, shall develop a diversity plan to provide
2 educational opportunities pursuant to sections 79-769 and 79-2110
3 in each ~~election~~ subcouncil district designed to attract students
4 from diverse backgrounds, which plan may be revised from time to
5 time. The initial diversity plan shall be completed by December
6 31 of the year the initial learning community coordinating council
7 for the learning community takes office. The goal of the diversity
8 plan shall be to annually increase the socioeconomic diversity
9 of enrollment at each grade level in each school building within
10 the learning community until such enrollment reflects the average
11 socioeconomic diversity of the entire enrollment of the learning
12 community.

13 (2) Each diversity plan for a learning community shall
14 include specific provisions relating to each ~~election~~ subcouncil
15 district within such learning community. The specific provisions
16 relating to each ~~election~~ subcouncil district shall be approved
17 by both the achievement subcouncil for such district and by the
18 learning community coordinating council.

19 (3) The learning community coordinating council shall
20 report to the Education Committee of the Legislature on or before
21 December 1 of each even-numbered year on the diversity and changes
22 in diversity at each grade level in each school building within the
23 learning community and on the academic achievement for different
24 demographic groups in each school building within the learning
25 community.

26 Sec. 20. Original sections 11-119, 13-503, 13-903,
27 13-2202, 32-546.01, 32-555.01, 32-606, 79-575, 79-592, 79-1024,

1 79-1033, 79-1041, 79-1073, 79-1073.01, 79-2104, 79-2113, 79-2117,
2 and 79-2118, Reissue Revised Statutes of Nebraska, and section
3 77-2704.15, Revised Statutes Cumulative Supplement, 2008, are
4 repealed.

5 2. On page 1, strike beginning with "learning" in
6 line 1 through line 9 and insert "schools; to amend sections
7 11-119, 13-503, 13-903, 13-2202, 32-546.01, 32-555.01, 32-606,
8 79-575, 79-592, 79-1024, 79-1033, 79-1041, 79-1073, 79-1073.01,
9 79-2104, 79-2113, 79-2117, and 79-2118, Reissue Revised Statutes
10 of Nebraska, and section 77-2704.15, Revised Statutes Cumulative
11 Supplement, 2008; to require execution of a bond by a learning
12 community coordinating council treasurer; to redefine terms; to
13 include learning communities in the Political Subdivisions Tort
14 Claims Act and the Local Government Miscellaneous Expenditure Act;
15 to change election provisions for members of learning community
16 coordinating council members; to exempt purchases by learning
17 communities from sales and use taxes; to change provisions relating
18 to school district warrants; to change state aid and property
19 tax distribution provisions for learning communities; to change
20 provisions relating to elementary learning centers and achievement
21 subcouncils; to harmonize provisions; and to repeal the original
22 sections."