

ONE HUNDRED FIRST LEGISLATURE - SECOND SESSION - 2010
COMMITTEE STATEMENT
LB391

Hearing Date: Monday February 23, 2009
Committee On: Education
Introducer: Adams
One Liner: Change the manner of distribution of tax revenue within learning communities

Roll Call Vote - Final Committee Action:
Indefinitely postponed

Vote Results:

Aye: 8 Senators Adams, Ashford, Avery, Cornett, Giese, Haar, Howard, Sullivan

Nay:

Absent:

Present Not Voting:

Proponents:

Senator Greg Adams
Chuck Chevalier
Andrew Rikli
Kevin Riley
Jay Sears
Bill Mueller

Representing:

Introducer
South Sary School District #46
Westside Community Schools
Gretna Public School
Nebraska State Education Association
Millard Public Schools

Opponents:

Terry Haack
Walt Radcliffe

Representing:

Bennington Public Schools
Bellevue Public Schools

Neutral:

Elizabeth Standish

Representing:

Omaha Public Schools

Summary of purpose and/or changes:

Legislative Bill 391 would transfer the duty to distribute proceeds from learning community common levies from the learning community coordinating council to the county treasurer collecting the proceeds. The distribution of the proceed would also be amended by extending a hold harmless from 3 to 5 years and by adding a growth factor to the hold harmless.

Section 13-503 would be amended by deleting the special reserve funds designation for property tax receipts distributed by a learning community to member school districts.

Section 79-1041 would be amended by adding a requirement for county treasurers of counties with territory in a learning community to distribute funds collected from the common general fund levy and the common special building fund levy to member school districts at least once each month pursuant to sections 79-7073 and 79-1073.01. Those two sections provide for the division of the levy proceeds between member districts in a learning community.

Section 79-1073 would be amended by recognizing that the county treasurer would distribute levy proceeds from the

common general fund levy directly to school districts. The section would also be amended by extending the hold harmless provision from 3 to 5 years and by providing a growth factor for the hold harmless. Generally, common general fund levy proceeds would be divided between districts proportionally based on each districts formula needs minus state aid and other resources. The hold harmless provision provides that the basis for the proportionality would be the greater of the above calculation or the sum from the year prior to the learning community of the state aid and the general fund levy applied to the district's valuation minus the current state aid. The growth factor would provide an increase the hold harmless amount by 50% of the basic allowable growth rate for each year of the learning community.

Section 79-1073.01 would be amended by recognizing that the county treasurer would distribute levy proceeds from the common special building fund levy directly to school districts. The current provision require the distribution to be proportional based on formula students.

Section 79-2104 would be amended by eliminating the authority for learning community coordinating councils to distribute common levies for the general funds and special building funds of member school districts.

Greg Adams, Chairperson