

LEGISLATURE OF NEBRASKA

ONE HUNDRED FIRST LEGISLATURE

FIRST SESSION

LEGISLATIVE BILL 391

Introduced by Adams, 24.

Read first time January 16, 2009

Committee: Education

A BILL

1 FOR AN ACT relating to education; to amend sections 13-503,
2 79-1041, 79-1073, 79-1073.01, and 79-2104, Reissue
3 Revised Statutes of Nebraska; to change the manner of
4 distribution of property tax revenue within learning
5 communities; to harmonize provisions; and to repeal the
6 original sections.
7 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 13-503, Reissue Revised Statutes of
2 Nebraska, is amended to read:

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

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

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

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

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

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

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

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

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

24 (9) Special reserve fund shall mean any special fund
25 set aside by the governing body for a particular purpose and not

1 available for expenditure for any other purpose. Funds created
2 for (a) the retirement of bonded indebtedness, (b) the funding
3 of employee pension plans, (c) the purposes of the Political
4 Subdivisions Self-Funding Benefits Act, (d) the purposes of the
5 Local Option Municipal Economic Development Act, (e) voter-approved
6 sinking funds, or (f) statutorily authorized sinking funds; or
7 ~~or (g) the distribution of property tax receipts by a learning~~
8 ~~community to member school districts shall be considered special~~
9 ~~reserve funds;~~

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

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

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

20 79-1041 Each county treasurer of a county with territory
21 in a learning community shall distribute any funds collected by
22 such county treasurer from the common general fund levy and the
23 common building fund levy of such learning community to each member
24 school district pursuant to sections 79-1073 and 79-1073.01 at
25 least once each month.

1 Each county treasurer shall, upon request of a majority
2 of the members of the school board or board of education in
3 any school district, at least once each month distribute to the
4 district any funds collected by such county treasurer for school
5 purposes.

6 Sec. 3. Section 79-1073, Reissue Revised Statutes of
7 Nebraska, is amended to read:

8 79-1073 On or before September 1 for each year, each
9 learning community coordinating council shall determine the
10 expected amounts to be distributed by the county treasurers to
11 each member school district from general fund property tax receipts
12 pursuant to subdivision (2) (b) of section 77-3442 and shall certify
13 such amounts to each member school district, the county treasurer
14 for each county containing territory in the learning community, and
15 the State Department of Education. For the first ~~three~~ five school
16 fiscal years for which the learning community levies a common
17 general fund property tax for school districts, such property
18 tax receipts shall be divided among member school districts
19 proportionally based on the greater of (1) the difference of the
20 school district's formula need calculated pursuant to the Tax
21 Equity and Educational Opportunities Support Act minus the sum of
22 the state aid certified pursuant to section 79-1022 and the other
23 actual receipts included in local system formula resources pursuant
24 to section 79-1018.01 for the school fiscal year for which the
25 distribution is being made or (2) the product of the growth factor

1 multiplied by the difference of the sum of the state aid certified
2 for the school fiscal year immediately preceding the first school
3 fiscal year for which the learning community levies a common
4 general fund property tax for school districts plus the product
5 of the school district's general fund levy for such school fiscal
6 year multiplied by the assessed valuation for such school fiscal
7 year minus the state aid certified pursuant to section 79-1022
8 for the school fiscal year for which the distribution is being
9 made. Thereafter, such property tax receipts shall be divided among
10 member school districts proportionally based on the difference of
11 the school district's formula need calculated pursuant to section
12 79-1007.11 minus the sum of the state aid certified pursuant to
13 section 79-1022 and the other actual receipts included in local
14 system formula resources pursuant to section 79-1018.01 for the
15 school fiscal year for which the distribution is being made. For
16 purposes of this section, the growth factor shall equal one hundred
17 percent plus one-half of the basic allowable growth rate for each
18 year beginning with the first school fiscal year for which the
19 learning community levies a common general fund property tax for
20 school districts and ending with 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

1 total amounts to be distributed to each member school district for
2 the school fiscal year.

3 Sec. 4. Section 79-1073.01, Reissue Revised Statutes of
4 Nebraska, is amended to read:

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

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

13 Sec. 5. Section 79-2104, Reissue Revised Statutes of
14 Nebraska, is amended to read:

15 79-2104 A learning community coordinating council shall
16 have the authority to:

17 (1) ~~Levy and distribute~~ a common levy for the general
18 funds of member school districts pursuant to sections 77-3442 and
19 79-1073;

20 (2) ~~Levy and distribute~~ a common levy for the special
21 building funds of member school districts pursuant to sections
22 77-3442 and 79-1073.01;

23 (3) Levy for capital projects approved by the learning
24 community coordinating council pursuant to sections 77-3442 and
25 79-2111;

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

4 (5) Approve focus schools and focus programs to be
5 operated by member school districts;

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

9 (7) Administer the open enrollment provisions in section
10 79-2110 for the learning community as part of a diversity plan
11 developed by the council to provide educational opportunities which
12 will result in increased diversity in schools across the learning
13 community;

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

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

21 (10) Establish and administer elementary learning centers
22 through achievement subcouncils pursuant to sections 79-2112 to
23 79-2114;

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

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

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

6 (14) Establish a procedure to assist parents, citizens,
7 and member school districts in accessing an approved center
8 pursuant to the Dispute Resolution Act to resolve disputes
9 involving member school districts or the learning community. Such
10 procedure may include payment by the learning community for some
11 mediation services.

12 Sec. 6. Original sections 13-503, 79-1041, 79-1073,
13 79-1073.01, and 79-2104, Reissue Revised Statutes of Nebraska,
14 are repealed.