

LEGISLATURE OF NEBRASKA

ONE HUNDRED SECOND LEGISLATURE

FIRST SESSION

**LEGISLATIVE BILL 440**

Introduced by Heidemann, 1; Brasch, 16; Campbell, 25; Carlson, 38; Christensen, 44; Cornett, 45; Dubas, 34; Fischer, 43; Fulton, 29; Hadley, 37; Hansen, 42; Harms, 48; Karpisek, 32; Langemeier, 23; Schilz, 47; Sullivan, 41; Utter, 33; Wallman, 30; Wightman, 36.

Read first time January 14, 2011

Committee: Education

A BILL

1 FOR AN ACT relating to the Tax Equity and Educational Opportunities  
2 Support Act; to amend section 79-1016, Revised Statutes  
3 Cumulative Supplement, 2010; to change provisions  
4 relating to adjusted valuation; to repeal the original  
5 section; and to declare an emergency.

6 Be it enacted by the people of the State of Nebraska,

1                   Section 1. Section 79-1016, Revised Statutes Cumulative  
2 Supplement, 2010, is amended to read:

3                   79-1016 (1) On or before August 25, the county assessor  
4 shall certify to the Property Tax Administrator the total taxable  
5 value by school district in the county for the current assessment  
6 year on forms prescribed by the Tax Commissioner. The county assessor  
7 may amend the filing for changes made to the taxable valuation of the  
8 school district in the county if corrections or errors on the  
9 original certification are discovered. Amendments shall be certified  
10 to the Property Tax Administrator on or before September 30.

11                   (2) On or before October 10, the Property Tax  
12 Administrator shall compute and certify to the State Department of  
13 Education the adjusted valuation for the current assessment year for  
14 each class of property in each school district and each local system.  
15 The adjusted valuation of property for each school district and each  
16 local system, for purposes of determining state aid pursuant to the  
17 Tax Equity and Educational Opportunities Support Act, shall reflect  
18 as nearly as possible state aid value as defined in subsection (3) of  
19 this section. The Property Tax Administrator shall notify each school  
20 district and each local system of its adjusted valuation for the  
21 current assessment year by class of property on or before October 10.  
22 Establishment of the adjusted valuation shall be based on the taxable  
23 value certified by the county assessor for each school district in  
24 the county adjusted by the determination of the level of value for  
25 each school district from an analysis of the comprehensive assessment

1 ratio study or other studies developed by the Property Tax  
2 Administrator, in compliance with professionally accepted mass  
3 appraisal techniques, as required by section 77-1327. The Tax  
4 Commissioner shall adopt and promulgate rules and regulations setting  
5 forth standards for the determination of level of value for state aid  
6 purposes.

7 (3) For purposes of this section, state aid value means:

8 (a) For real property other than agricultural and  
9 horticultural land, ninety-six percent of actual value;

10 (b) For agricultural and horticultural land: ~~7~~

11 (i) For state aid calculated for school fiscal years  
12 before school fiscal year 2012-13, seventy-two percent of actual  
13 value as provided in sections 77-1359 to 77-1363, and for ~~For~~  
14 agricultural and horticultural land that receives special valuation  
15 pursuant to section 77-1344, seventy-two percent of special valuation  
16 as defined in section 77-1343; and

17 (ii) For state aid calculated for school fiscal year  
18 2012-13, seventy-one percent of actual value as provided in sections  
19 77-1359 to 77-1363, and for agricultural and horticultural land that  
20 receives special valuation pursuant to section 77-1344, seventy-one  
21 percent of special valuation as defined in section 77-1343;

22 (iii) For state aid calculated for school fiscal year  
23 2013-14, seventy percent of actual value as provided in sections  
24 77-1359 to 77-1363, and for agricultural and horticultural land that  
25 receives special valuation pursuant to section 77-1344, seventy

1 percent of special valuation as defined in section 77-1343;

2 (iv) For state aid calculated for school fiscal year  
3 2014-15, sixty-nine percent of actual value as provided in sections  
4 77-1359 to 77-1363, and for agricultural and horticultural land that  
5 receives special valuation pursuant to section 77-1344, sixty-nine  
6 percent of special valuation as defined in section 77-1343;

7 (v) For state aid calculated for school fiscal year  
8 2015-16, sixty-eight percent of actual value as provided in sections  
9 77-1359 to 77-1363, and for agricultural and horticultural land that  
10 receives special valuation pursuant to section 77-1344, sixty-eight  
11 percent of special valuation as defined in section 77-1343;

12 (vi) For state aid calculated for school fiscal year  
13 2016-17, sixty-seven percent of actual value as provided in sections  
14 77-1359 to 77-1363, and for agricultural and horticultural land that  
15 receives special valuation pursuant to section 77-1344, sixty-seven  
16 percent of special valuation as defined in section 77-1343;

17 (vii) For state aid calculated for school fiscal year  
18 2017-18, sixty-six percent of actual value as provided in sections  
19 77-1359 to 77-1363, and for agricultural and horticultural land that  
20 receives special valuation pursuant to section 77-1344, sixty-six  
21 percent of special valuation as defined in section 77-1343;

22 (viii) For state aid calculated for school fiscal year  
23 2018-19, sixty-five percent of actual value as provided in sections  
24 77-1359 to 77-1363, and for agricultural and horticultural land that  
25 receives special valuation pursuant to section 77-1344, sixty-five

1 percent of special valuation as defined in section 77-1343;

2 (ix) For state aid calculated for school fiscal year  
3 2019-20, sixty-four percent of actual value as provided in sections  
4 77-1359 to 77-1363, and for agricultural and horticultural land that  
5 receives special valuation pursuant to section 77-1344, sixty-four  
6 percent of special valuation as defined in section 77-1343;

7 (x) For state aid calculated for school fiscal year  
8 2020-21, sixty-three percent of actual value as provided in sections  
9 77-1359 to 77-1363, and for agricultural and horticultural land that  
10 receives special valuation pursuant to section 77-1344, sixty-three  
11 percent of special valuation as defined in section 77-1343; and

12 (xi) For state aid calculated for school fiscal year  
13 2021-22 and each school fiscal year thereafter, sixty-two percent of  
14 actual value as provided in sections 77-1359 to 77-1363, and for  
15 agricultural and horticultural land that receives special valuation  
16 pursuant to section 77-1344, sixty-two percent of special valuation  
17 as defined in section 77-1343; and

18 (c) For personal property, the net book value as defined  
19 in section 77-120.

20 (4) On or before November 10, any local system may file  
21 with the Tax Commissioner written objections to the adjusted  
22 valuations prepared by the Property Tax Administrator, stating the  
23 reasons why such adjusted valuations are not the valuations required  
24 by subsection (3) of this section. The Tax Commissioner shall fix a  
25 time for a hearing. Either party shall be permitted to introduce any

1 evidence in reference thereto. On or before January 1, the Tax  
2 Commissioner shall enter a written order modifying or declining to  
3 modify, in whole or in part, the adjusted valuations and shall  
4 certify the order to the State Department of Education. Modification  
5 by the Tax Commissioner shall be based upon the evidence introduced  
6 at hearing and shall not be limited to the modification requested in  
7 the written objections or at hearing. A copy of the written order  
8 shall be mailed to the local system within seven days after the date  
9 of the order. The written order of the Tax Commissioner may be  
10 appealed within thirty days after the date of the order to the Tax  
11 Equalization and Review Commission in accordance with section  
12 77-5013.

13 (5) On or before November 10, any local system or county  
14 official may file with the Tax Commissioner a written request for a  
15 nonappealable correction of the adjusted valuation due to clerical  
16 error as defined in section 77-128 or, for agricultural and  
17 horticultural land, assessed value changes by reason of land  
18 qualified or disqualified for special use valuation pursuant to  
19 sections 77-1343 to 77-1347.01. On or before the following January 1,  
20 the Tax Commissioner shall approve or deny the request and, if  
21 approved, certify the corrected adjusted valuations resulting from  
22 such action to the State Department of Education.

23 (6) On or before May 31 of the year following the  
24 certification of adjusted valuation pursuant to subsection (2) of  
25 this section, any local system or county official may file with the

1 Tax Commissioner a written request for a nonappealable correction of  
2 the adjusted valuation due to changes to the tax list that change the  
3 assessed value of taxable property. Upon the filing of the written  
4 request, the Tax Commissioner shall require the county assessor to  
5 recertify the taxable valuation by school district in the county on  
6 forms prescribed by the Tax Commissioner. The recertified valuation  
7 shall be the valuation that was certified on the tax list, pursuant  
8 to section 77-1613, increased or decreased by changes to the tax list  
9 that change the assessed value of taxable property in the school  
10 district in the county in the prior assessment year. On or before the  
11 following July 31, the Tax Commissioner shall approve or deny the  
12 request and, if approved, certify the corrected adjusted valuations  
13 resulting from such action to the State Department of Education.

14 (7) No injunction shall be granted restraining the  
15 distribution of state aid based upon the adjusted valuations pursuant  
16 to this section.

17 (8) A school district whose state aid is to be calculated  
18 pursuant to subsection (5) of this section and whose state aid  
19 payment is postponed as a result of failure to calculate state aid  
20 pursuant to such subsection may apply to the state board for lump-sum  
21 payment of such postponed state aid. Such application may be for any  
22 amount up to one hundred percent of the postponed state aid. The  
23 state board may grant the entire amount applied for or any portion of  
24 such amount. The state board shall notify the Director of  
25 Administrative Services of the amount of funds to be paid in a lump

1 sum and the reduced amount of the monthly payments. The Director of  
2 Administrative Services shall, at the time of the next state aid  
3 payment made pursuant to section 79-1022, draw a warrant for the  
4 lump-sum amount from appropriated funds and forward such warrant to  
5 the district.

6           Sec. 2. Original section 79-1016, Revised Statutes  
7 Cumulative Supplement, 2010, is repealed.

8           Sec. 3. Since an emergency exists, this act takes effect  
9 when passed and approved according to law.