

LEGISLATURE OF NEBRASKA  
ONE HUNDRED SECOND LEGISLATURE  
SECOND SESSION  
**LEGISLATIVE BILL 989**

Introduced by Haar, 21.

Read first time January 12, 2012

Committee: Revenue

A BILL

1 FOR AN ACT relating to 21st Century Community Learning Centers; to  
2 amend sections 77-3442 and 79-1028.01, Revised Statutes  
3 Supplement, 2011; to change provisions relating to  
4 property tax levy limitations and school district budget  
5 authority; and to repeal the original sections.  
6 Be it enacted by the people of the State of Nebraska,

1                   Section 1. Section 77-3442, Revised Statutes Supplement,  
2   2011, is amended to read:

3                   77-3442 (1) Property tax levies for the support of local  
4   governments for fiscal years beginning on or after July 1, 1998,  
5   shall be limited to the amounts set forth in this section except as  
6   provided in section 77-3444.

7                   (2)(a) Except as provided in subdivision (2)(e) of this  
8   section, school districts and multiple-district school systems,  
9   except learning communities and school districts that are members of  
10   learning communities, may levy a maximum levy of one dollar and five  
11   cents per one hundred dollars of taxable valuation of property  
12   subject to the levy.

13                  (b) For each fiscal year, learning communities may levy a  
14   maximum levy for the general fund budgets of member school districts  
15   of ninety-five cents per one hundred dollars of taxable valuation of  
16   property subject to the levy. The proceeds from the levy pursuant to  
17   this subdivision shall be distributed pursuant to section 79-1073.

18                  (c) Except as provided in subdivision (2)(e) of this  
19   section, for each fiscal year, school districts that are members of  
20   learning communities may levy for purposes of such districts' general  
21   fund budget and special building funds a maximum combined levy of the  
22   difference of one dollar and five cents on each one hundred dollars  
23   of taxable property subject to the levy minus the learning community  
24   levies pursuant to subdivisions (2)(b) and (2)(g) of this section for  
25   such learning community.

1           (d) Excluded from the limitations in subdivisions (2)(a)  
2 and (2)(c) of this section are amounts levied to pay for sums agreed  
3 to be paid by a school district to certificated employees in exchange  
4 for a voluntary termination of employment and amounts levied to pay  
5 for special building funds and sinking funds established for projects  
6 commenced prior to April 1, 1996, for construction, expansion, or  
7 alteration of school district buildings. For purposes of this  
8 subsection, commenced means any action taken by the school board on  
9 the record which commits the board to expend district funds in  
10 planning, constructing, or carrying out the project.

11           (e) Federal aid school districts may exceed the maximum  
12 levy prescribed by subdivision (2)(a) or (2)(c) of this section only  
13 to the extent necessary to qualify to receive federal aid pursuant to  
14 Title VIII of Public Law 103-382, as such title existed on September  
15 1, 2001. For purposes of this subdivision, federal aid school  
16 district means any school district which receives ten percent or more  
17 of the revenue for its general fund budget from federal government  
18 sources pursuant to Title VIII of Public Law 103-382, as such title  
19 existed on September 1, 2001.

20           (f) For school fiscal year 2002-03 through school fiscal  
21 year 2007-08, school districts and multiple-district school systems  
22 may, upon a three-fourths majority vote of the school board of the  
23 school district, the board of the unified system, or the school board  
24 of the high school district of the multiple-district school system  
25 that is not a unified system, exceed the maximum levy prescribed by

1 subdivision (2)(a) of this section in an amount equal to the net  
2 difference between the amount of state aid that would have been  
3 provided under the Tax Equity and Educational Opportunities Support  
4 Act without the temporary aid adjustment factor as defined in section  
5 79-1003 for the ensuing school fiscal year for the school district or  
6 multiple-district school system and the amount provided with the  
7 temporary aid adjustment factor. The State Department of Education  
8 shall certify to the school districts and multiple-district school  
9 systems the amount by which the maximum levy may be exceeded for the  
10 next school fiscal year pursuant to this subdivision (f) of this  
11 subsection on or before February 15 for school fiscal years 2004-05  
12 through 2007-08.

13 (g) For each fiscal year, learning communities may levy a  
14 maximum levy of two cents on each one hundred dollars of taxable  
15 property subject to the levy for special building funds for member  
16 school districts. The proceeds from the levy pursuant to this  
17 subdivision shall be distributed pursuant to section 79-1073.01.

18 (h) For each fiscal year, learning communities may levy a  
19 maximum levy of two cents on each one hundred dollars of taxable  
20 property subject to the levy for elementary learning center facility  
21 leases, for remodeling of leased elementary learning center  
22 facilities, and for up to fifty percent of the estimated cost for  
23 focus school or program capital projects approved by the learning  
24 community coordinating council pursuant to section 79-2111.

25 (i) For each fiscal year, learning communities may levy a

1 maximum levy of one cent on each one hundred dollars of taxable  
2 property subject to the levy for elementary learning center  
3 employees, for contracts with other entities or individuals who are  
4 not employees of the learning community for elementary learning  
5 center programs and services, and for pilot projects, except that no  
6 more than ten percent of such levy may be used for elementary  
7 learning center employees.

8 (3)(a) For fiscal years prior to fiscal year 2010-11,  
9 community colleges may levy a maximum levy calculated pursuant to the  
10 Community College Foundation and Equalization Aid Act on each one  
11 hundred dollars of taxable property subject to the levy.

12 (b) For fiscal year 2010-11, in lieu of the calculation  
13 of a maximum levy for operating expenditures pursuant to the  
14 Community College Foundation and Equalization Aid Act, and for fiscal  
15 year 2011-12 and each fiscal year thereafter, community colleges may  
16 levy a maximum of ten and one-quarter cents per one hundred dollars  
17 of taxable valuation of property subject to the levy for operating  
18 expenditures and may also levy the additional levies provided in  
19 subsections (2) and (3) of section 85-1517.

20 (4)(a) Natural resources districts may levy a maximum  
21 levy of four and one-half cents per one hundred dollars of taxable  
22 valuation of property subject to the levy.

23 (b) Natural resources districts shall also have the power  
24 and authority to levy a tax equal to the dollar amount by which their  
25 restricted funds budgeted to administer and implement ground water

1 management activities and integrated management activities under the  
2 Nebraska Ground Water Management and Protection Act exceed their  
3 restricted funds budgeted to administer and implement ground water  
4 management activities and integrated management activities for  
5 FY2003-04, not to exceed one cent on each one hundred dollars of  
6 taxable valuation annually on all of the taxable property within the  
7 district.

8 (c) In addition, natural resources districts located in a  
9 river basin, subbasin, or reach that has been determined to be fully  
10 appropriated pursuant to section 46-714 or designated as  
11 overappropriated pursuant to section 46-713 by the Department of  
12 Natural Resources shall also have the power and authority to levy a  
13 tax equal to the dollar amount by which their restricted funds  
14 budgeted to administer and implement ground water management  
15 activities and integrated management activities under the Nebraska  
16 Ground Water Management and Protection Act exceed their restricted  
17 funds budgeted to administer and implement ground water management  
18 activities and integrated management activities for FY2005-06, not to  
19 exceed three cents on each one hundred dollars of taxable valuation  
20 on all of the taxable property within the district for fiscal year  
21 2006-07 and each fiscal year thereafter through fiscal year 2017-18.

22 (5) Any educational service unit authorized to levy a  
23 property tax pursuant to section 79-1225 may levy a maximum levy of  
24 one and one-half cents per one hundred dollars of taxable valuation  
25 of property subject to the levy.

1           (6)(a) Incorporated cities and villages which are not  
2 within the boundaries of a municipal county may levy a maximum levy  
3 of forty-five cents per one hundred dollars of taxable valuation of  
4 property subject to the levy plus an additional five cents per one  
5 hundred dollars of taxable valuation to provide financing for the  
6 municipality's share of revenue required under an agreement or  
7 agreements executed pursuant to the Interlocal Cooperation Act or the  
8 Joint Public Agency Act. The maximum levy shall include amounts  
9 levied to pay for sums to support a library pursuant to section  
10 51-201, museum pursuant to section 51-501, visiting community nurse,  
11 home health nurse, or home health agency pursuant to section 71-1637,  
12 or statue, memorial, or monument pursuant to section 80-202.

13           (b) Incorporated cities and villages which are within the  
14 boundaries of a municipal county may levy a maximum levy of ninety  
15 cents per one hundred dollars of taxable valuation of property  
16 subject to the levy. The maximum levy shall include amounts paid to a  
17 municipal county for county services, amounts levied to pay for sums  
18 to support a library pursuant to section 51-201, a museum pursuant to  
19 section 51-501, a visiting community nurse, home health nurse, or  
20 home health agency pursuant to section 71-1637, or a statue,  
21 memorial, or monument pursuant to section 80-202.

22           (7) Sanitary and improvement districts which have been in  
23 existence for more than five years may levy a maximum levy of forty  
24 cents per one hundred dollars of taxable valuation of property  
25 subject to the levy, and sanitary and improvement districts which

1 have been in existence for five years or less shall not have a  
2 maximum levy. Unconsolidated sanitary and improvement districts which  
3 have been in existence for more than five years and are located in a  
4 municipal county may levy a maximum of eighty-five cents per hundred  
5 dollars of taxable valuation of property subject to the levy.

6 (8) Counties may levy or authorize a maximum levy of  
7 fifty cents per one hundred dollars of taxable valuation of property  
8 subject to the levy, except that five cents per one hundred dollars  
9 of taxable valuation of property subject to the levy may only be  
10 levied to provide financing for the county's share of revenue  
11 required under an agreement or agreements executed pursuant to the  
12 Interlocal Cooperation Act or the Joint Public Agency Act. The  
13 maximum levy shall include amounts levied to pay for sums to support  
14 a library pursuant to section 51-201 or museum pursuant to section  
15 51-501. The county may allocate up to fifteen cents of its authority  
16 to other political subdivisions subject to allocation of property tax  
17 authority under subsection (1) of section 77-3443 and not  
18 specifically covered in this section to levy taxes as authorized by  
19 law which do not collectively exceed fifteen cents per one hundred  
20 dollars of taxable valuation on any parcel or item of taxable  
21 property. The county may allocate to one or more other political  
22 subdivisions subject to allocation of property tax authority by the  
23 county under subsection (1) of section 77-3443 some or all of the  
24 county's five cents per one hundred dollars of valuation authorized  
25 for support of an agreement or agreements to be levied by the



1 political subdivision for the purpose of supporting that political  
2 subdivision's share of revenue required under an agreement or  
3 agreements executed pursuant to the Interlocal Cooperation Act or the  
4 Joint Public Agency Act. If an allocation by a county would cause  
5 another county to exceed its levy authority under this section, the  
6 second county may exceed the levy authority in order to levy the  
7 amount allocated. Property tax levies for costs of reassumption of  
8 the assessment function pursuant to section 77-1340 or 77-1340.04 are  
9 not included in the levy limits established in this subsection for  
10 fiscal years 2010-11 through 2013-14.

11 (9) Municipal counties may levy or authorize a maximum  
12 levy of one dollar per one hundred dollars of taxable valuation of  
13 property subject to the levy. The municipal county may allocate levy  
14 authority to any political subdivision or entity subject to  
15 allocation under section 77-3443.

16 (10) Property tax levies (a) for judgments, except  
17 judgments or orders from the Commission of Industrial Relations,  
18 obtained against a political subdivision which require or obligate a  
19 political subdivision to pay such judgment, to the extent such  
20 judgment is not paid by liability insurance coverage of a political  
21 subdivision, (b) for preexisting lease-purchase contracts approved  
22 prior to July 1, 1998, (c) for bonds as defined in section 10-134  
23 approved according to law and secured by a levy on property except as  
24 provided in section 44-4317 for bonded indebtedness issued by  
25 educational service units and school districts, ~~and~~ (d) for payments

1 by a public airport to retire interest-free loans from the Department  
2 of Aeronautics in lieu of bonded indebtedness at a lower cost to the  
3 public airport, and (e) for funding programs of 21st Century  
4 Community Learning Centers are not included in the levy limits  
5 established by this section. For purposes of this subsection, 21st  
6 Century Community Learning Center means a public elementary or  
7 secondary school that participates in a community-based effort to  
8 coordinate and integrate educational, developmental, family, health,  
9 and other comprehensive services through community-based  
10 organizations and public and private partnerships and provides access  
11 to such services to students, families, and the community, such as  
12 access during the school year, including before-school and after-  
13 school hours, and during the summer.

14 (11) The limitations on tax levies provided in this  
15 section are to include all other general or special levies provided  
16 by law. Notwithstanding other provisions of law, the only exceptions  
17 to the limits in this section are those provided by or authorized by  
18 sections 77-3442 to 77-3444.

19 (12) Tax levies in excess of the limitations in this  
20 section shall be considered unauthorized levies under section 77-1606  
21 unless approved under section 77-3444.

22 (13) For purposes of sections 77-3442 to 77-3444,  
23 political subdivision means a political subdivision of this state and  
24 a county agricultural society.

25 (14) For school districts that file a binding resolution

1 on or before May 9, 2008, with the county assessors, county clerks,  
2 and county treasurers for all counties in which the school district  
3 has territory pursuant to subsection (7) of section 79-458, if the  
4 combined levies, except levies for bonded indebtedness approved by  
5 the voters of the school district and levies for the refinancing of  
6 such bonded indebtedness, are in excess of the greater of (a) one  
7 dollar and twenty cents per one hundred dollars of taxable valuation  
8 of property subject to the levy or (b) the maximum levy authorized by  
9 a vote pursuant to section 77-3444, all school district levies,  
10 except levies for bonded indebtedness approved by the voters of the  
11 school district and levies for the refinancing of such bonded  
12 indebtedness, shall be considered unauthorized levies under section  
13 77-1606.

14           Sec. 2. Section 79-1028.01, Revised Statutes Supplement,  
15 2011, is amended to read:

16           79-1028.01 (1) For each school fiscal year, a school  
17 district may exceed its budget authority for the general fund budget  
18 of expenditures as calculated pursuant to section 79-1023 for such  
19 school fiscal year by a specific dollar amount for the following  
20 exclusions:

21           (a) Expenditures for repairs to infrastructure damaged by  
22 a natural disaster which is declared a disaster emergency pursuant to  
23 the Emergency Management Act;

24           (b) Expenditures for judgments, except judgments or  
25 orders from the Commission of Industrial Relations, obtained against

1 a school district which require or obligate a school district to pay  
2 such judgment, to the extent such judgment is not paid by liability  
3 insurance coverage of a school district;

4 (c) Expenditures pursuant to the Retirement Incentive  
5 Plan authorized in section 79-855 or the Staff Development Assistance  
6 authorized in section 79-856;

7 (d) Expenditures of amounts received from educational  
8 entities as defined in section 79-1201.01 for providing distance  
9 education courses through the Educational Service Unit Coordinating  
10 Council to such educational entities;

11 (e) Expenditures to pay another school district for the  
12 transfer of land from such other school district;

13 (f) Expenditures in school fiscal years 2009-10 through  
14 2016-17 to pay for employer contributions pursuant to subsection (2)  
15 of section 79-958 to the School Employees Retirement System of the  
16 State of Nebraska to the extent that such expenditures exceed the  
17 employer contributions under such subsection that would have been  
18 made at a contribution rate of seven and thirty-five hundredths  
19 percent;

20 (g) Expenditures in school fiscal years 2009-10 through  
21 2016-17 to pay for school district contributions pursuant to  
22 subdivision (1)(c)(i) of section 79-9,113 to the retirement system  
23 established pursuant to the Class V School Employees Retirement Act  
24 to the extent that such expenditures exceed the school district  
25 contributions under such subdivision that would have been made at a

1 contribution rate of seven and thirty-seven hundredths percent;

2 (h) Expenditures for sums agreed to be paid by a school  
3 district to certificated employees in exchange for a voluntary  
4 termination occurring prior to July 1, 2009, or occurring on or after  
5 the last day of the 2010-11 school year and prior to the first day of  
6 the 2013-14 school year;

7 (i) Any expenditures in school fiscal years 2016-17 and  
8 2017-18 of amounts specified in the notice provided by the  
9 Commissioner of Education pursuant to section 79-309.01 for teacher  
10 performance pay;

11 (j) The special education budget of expenditures; ~~and~~

12 (k) Expenditures of special grant funds; ~~and -~~

13 (l) Expenditures for funding programs of 21st Century  
14 Community Learning Centers. For purposes of this subdivision, 21st  
15 Century Community Learning Center means a public elementary or  
16 secondary school that participates in a community-based effort to  
17 coordinate and integrate educational, developmental, family, health,  
18 and other comprehensive services through community-based  
19 organizations and public and private partnerships and provides access  
20 to such services to students, families, and the community, such as  
21 access during the school year, including before-school and after-  
22 school hours, and during the summer.

23 (2) For each school fiscal year, a school district may  
24 exceed its budget authority for the general fund budget of  
25 expenditures as calculated pursuant to section 79-1023 for such

1 school fiscal year by a specific dollar amount and include such  
2 dollar amount in the budget of expenditures used to calculate budget  
3 authority for the general fund budget of expenditures pursuant to  
4 section 79-1023 for future years for the following exclusions:

5 (a) Expenditures of incentive payments or base fiscal  
6 year incentive payments to be received in such school fiscal year  
7 pursuant to section 79-1011;

8 (b) The first school fiscal year the district will be  
9 participating in Network Nebraska for the full school fiscal year,  
10 for the difference of the estimated expenditures for such school  
11 fiscal year for telecommunications services, access to data  
12 transmission networks that transmit data to and from the school  
13 district, and the transmission of data on such networks as such  
14 expenditures are defined by the department for purposes of the  
15 distance education and telecommunications allowance minus the dollar  
16 amount of such expenditures for the second school fiscal year  
17 preceding the first full school fiscal year the district participates  
18 in Network Nebraska; and

19 (c) Expenditures for new elementary attendance sites in  
20 the first year of operation or the first year of operation after  
21 being closed for at least one school year if such elementary  
22 attendance site will most likely qualify for the elementary site  
23 allowance in the immediately following school fiscal year as  
24 determined by the state board.

25 (3) The state board shall approve, deny, or modify the

1 amount allowed for any exclusions to the budget authority for the  
2 general fund budget of expenditures pursuant to this section.

3                   Sec. 3. Original sections 77-3442 and 79-1028.01, Revised  
4 Statutes Supplement, 2011, are repealed.