

LEGISLATURE OF NEBRASKA  
ONE HUNDRED THIRD LEGISLATURE  
FIRST SESSION  
**LEGISLATIVE BILL 470**

Introduced by Scheer, 19; Davis, 43; Watermeier, 1.

Read first time January 22, 2013

Committee: Education

A BILL

1 FOR AN ACT relating to schools; to amend section 13-504, Reissue  
2 Revised Statutes of Nebraska; to change provisions  
3 relating to proposed budget statements; to adopt the  
4 Superintendent Pay Transparency Act; to provide an  
5 operative date; to repeal the original section; and to  
6 declare an emergency.

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

1           Section 1. Section 13-504, Reissue Revised Statutes of  
2 Nebraska, is amended to read:

3           13-504 (1) Each governing body shall annually prepare a  
4 proposed budget statement on forms prescribed and furnished by the  
5 auditor. The proposed budget statement shall be made available to the  
6 public by the political subdivision prior to publication of the  
7 notice of the hearing on the proposed budget statement pursuant to  
8 section 13-506. A proposed budget statement shall contain the  
9 following information, except as provided by state law:

10           (a) For the immediately preceding fiscal year, the  
11 revenue from all sources, including motor vehicle taxes, other than  
12 revenue received from personal and real property taxation, allocated  
13 to the funds and separately stated as to each such source: The  
14 unencumbered cash balance at the beginning and end of the year; the  
15 amount received by taxation of personal and real property; and the  
16 amount of actual expenditures;

17           (b) For the current fiscal year, actual and estimated  
18 revenue from all sources, including motor vehicle taxes, allocated to  
19 the funds and separately stated as to each such source: The actual  
20 unencumbered cash balance available at the beginning of the year; the  
21 amount received from personal and real property taxation; and the  
22 amount of actual and estimated expenditures, whichever is applicable.  
23 Such statement shall contain the cash reserve for each fiscal year  
24 and shall note whether or not such reserve is encumbered. Such cash  
25 reserve projections shall be based upon the actual experience of

1 prior years. The cash reserve shall not exceed fifty percent of the  
2 total budget adopted exclusive of capital outlay items;

3 (c) For the immediately ensuing fiscal year, an estimate  
4 of revenue from all sources, including motor vehicle taxes, other  
5 than revenue to be received from taxation of personal and real  
6 property, separately stated as to each such source: The actual or  
7 estimated unencumbered cash balances, whichever is applicable, to be  
8 available at the beginning of the year; the amounts proposed to be  
9 expended during the year; and the amount of cash reserve, based on  
10 actual experience of prior years, which cash reserve shall not exceed  
11 fifty percent of the total budget adopted exclusive of capital outlay  
12 items;

13 (d) A statement setting out separately the amount sought  
14 to be raised from the levy of a tax on the taxable value of real  
15 property (i) for the purpose of paying the principal or interest on  
16 bonds issued by the governing body and (ii) for all other purposes;

17 (e) A uniform summary of the proposed budget statement,  
18 including each proprietary function fund included in a separate  
19 proprietary budget statement prepared pursuant to the Municipal  
20 Proprietary Function Act, and a grand total of all funds maintained  
21 by the governing body; ~~and~~

22 (f) For municipalities, a list of the proprietary  
23 functions which are not included in the budget statement. Such  
24 proprietary functions shall have a separate budget statement which is  
25 approved by the city council or village board as provided in the

1 Municipal Proprietary Function Act; and -

2 (g) For school districts, a separate identification of  
3 all costs which are reasonably anticipated to be incurred as a result  
4 of the approval of a contract for superintendent services rendered to  
5 such school district or the approval of any amendment to such a  
6 contract.

7 (2) The actual or estimated unencumbered cash balance  
8 required to be included in the budget statement by this section shall  
9 include deposits and investments of the political subdivision as well  
10 as any funds held by the county treasurer for the political  
11 subdivision and shall be accurately stated on the proposed budget  
12 statement.

13 (3) The political subdivision shall correct any material  
14 errors in the budget statement detected by the auditor or by other  
15 sources.

16 Sec. 2. Sections 2 to 6 of this act shall be known and  
17 may be cited as the Superintendent Pay Transparency Act.

18 Sec. 3. Before the school board of any school district  
19 approves a contract for superintendent services to be rendered to  
20 such school district or approves any amendment to such a contract,  
21 the school board shall publish a copy of such contract or amendment  
22 and a reasonable estimate of all current and future costs to the  
23 school district if the contract or amendment were to be approved at  
24 least five days before the meeting of the school board at which such  
25 contract or amendment will be considered. Such publication shall also

1 specify the date, time, and place of the public meeting at which the  
2 contract or amendment will be considered. Electronic publication on  
3 the web site of the school district shall satisfy the requirement of  
4 this section if such electronic publication is prominently displayed  
5 and allows public access to the entire contract or amendment.

6           Sec. 4. After approval of a contract for superintendent  
7 services or any amendment to such a contract, the approving school  
8 board shall file a copy of such contract or amendment with the State  
9 Department of Education by the next succeeding August 1. The  
10 department shall have no duty to review such contracts or amendments  
11 but shall publicly post all such contracts or amendments received on  
12 the web site of the department.

13           Sec. 5. If the school board of any school district fails  
14 to timely file a copy of an approved contract for superintendent  
15 services or an approved amendment to such a contract with the State  
16 Department of Education as required in section 4 of this act, the  
17 Commissioner of Education, after notice to the school board and an  
18 opportunity to be heard, shall direct that any state aid granted  
19 pursuant to the Tax Equity and Educational Opportunities Support Act  
20 to the school district be withheld until such time as the contract or  
21 amendment is received by the department. In addition, the  
22 commissioner shall direct the county treasurer to withhold all school  
23 money belonging to the school district until such time as the  
24 commissioner notifies the county treasurer of receipt of such  
25 contract or amendment. The county treasurer shall withhold such

1 money. For school districts that are members of learning communities,  
2 a determination of school money belonging to the school district  
3 shall be based on the proportionate share of state aid and property  
4 tax receipts allocated to the school district by the learning  
5 community coordinating council, and the county treasurer shall  
6 withhold any such school money in the possession of the county  
7 treasurer from the school district. If the school board does not  
8 comply with this section prior to the end of the state's biennium  
9 following the biennium which included the school fiscal year for  
10 which state aid was calculated, the state aid funds shall revert to  
11 the General Fund. The amount of any reverted funds shall be included  
12 in data provided to the Governor in accordance with section 79-1031.

13           Sec. 6. All amendments to a contract for superintendent  
14 services shall be subject to the Superintendent Pay Transparency Act,  
15 including, but not limited to, amendments involving salary increases  
16 or benefit changes.

17           Sec. 7. This act becomes operative on July 1, 2013.

18           Sec. 8. Original section 13-504, Reissue Revised Statutes  
19 of Nebraska, is repealed.

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