

AMENDMENTS TO LB525

(Amendments to Standing Committee amendments, AM1306)

Introduced by Cook, 13.

1           1. Insert the following new sections:

2           Sec. 20. Section 79-1007.06, Reissue Revised Statutes of Nebraska,  
3 is amended to read:

4           79-1007.06 (1) For school fiscal year 2008-09 and each school fiscal  
5 year thereafter, the department shall determine the poverty allowance for  
6 each school district that meets the requirements of this section and ~~has~~  
7 ~~not been disqualified pursuant to~~ section 79-1007.07. Each school  
8 district shall designate a maximum poverty allowance on a form prescribed  
9 by the department on or before October 15 of the school fiscal year  
10 immediately preceding the school fiscal year for which aid is being  
11 calculated. The school district may decline to participate in the poverty  
12 allowance by providing the department with a maximum poverty allowance of  
13 zero dollars on such form on or before October 15 of the school fiscal  
14 year immediately preceding the school fiscal year for which aid is being  
15 calculated. Each school district designating a maximum poverty allowance  
16 greater than zero dollars shall submit a poverty plan pursuant to section  
17 79-1013.

18           (2) The poverty allowance for each school district ~~that has not been~~  
19 ~~disqualified pursuant to section 79-1007.07~~ shall equal the lesser of:

20           (a) The maximum amount designated pursuant to subsection (1) of this  
21 section by the school district in the local system, if such school  
22 district designated a maximum amount, for the school fiscal year for  
23 which aid is being calculated; or

24           (b) The sum of:

25           (i) The statewide average general fund operating expenditures per  
26 formula student multiplied by 0.0375 then multiplied by the poverty

1 students comprising more than five percent and not more than ten percent  
2 of the formula students in the school district; plus

3 (ii) The statewide average general fund operating expenditures per  
4 formula student multiplied by 0.0750 then multiplied by the poverty  
5 students comprising more than ten percent and not more than fifteen  
6 percent of the formula students in the school district; plus

7 (iii) The statewide average general fund operating expenditures per  
8 formula student multiplied by 0.1125 then multiplied by the poverty  
9 students comprising more than fifteen percent and not more than twenty  
10 percent of the formula students in the school district; plus

11 (iv) The statewide average general fund operating expenditures per  
12 formula student multiplied by 0.1500 then multiplied by the poverty  
13 students comprising more than twenty percent and not more than twenty-  
14 five percent of the formula students in the school district; plus

15 (v) The statewide average general fund operating expenditures per  
16 formula student multiplied by 0.1875 then multiplied by the poverty  
17 students comprising more than twenty-five percent and not more than  
18 thirty percent of the formula students in the school district; plus

19 (vi) The statewide average general fund operating expenditures per  
20 formula student multiplied by 0.2250 then multiplied by the poverty  
21 students comprising more than thirty percent of the formula students in  
22 the school district.

23 Sec. 21. Section 79-1007.07, Reissue Revised Statutes of Nebraska,  
24 is amended to read:

25 79-1007.07 (1)(a) The annual financial report required pursuant to  
26 section 79-528 shall include:

27 (i) The amount of the poverty allowance used in the certification of  
28 state aid pursuant to section 79-1022 for such school fiscal year;

29 (ii) The amount of federal funds received based on poverty as  
30 defined by the federal program providing the funds;

31 (iii) The expenditures and sources of funding for each program

1 related to poverty with a narrative description of the program, the  
2 method used to allocate money to the program and within the program, and  
3 the program's relationship to the poverty plan submitted pursuant to  
4 section 79-1013 for such school fiscal year;

5 (iv) The expenditures and sources of funding for support costs  
6 directly attributable to implementing the district's poverty plan; and

7 (v) An explanation of how any required elements of the poverty plan  
8 for such school fiscal year were met.

9 (b) The department shall set up accounting codes for the receipts  
10 and expenditures required to be reported on the annual financial report  
11 pursuant to this subsection.

12 (2) The department shall determine the poverty allowance  
13 expenditures using the reported expenditures on the annual financial  
14 report for the most recently available complete data year that would  
15 include in the poverty allowance expenditures only those expenditures  
16 that are not included in other allowances, that were used to specifically  
17 address issues related to the education of students living in poverty or  
18 to the implementation of the poverty plan, that do not replace  
19 expenditures that would have occurred if the students involved in the  
20 program did not live in poverty, and that are paid for with  
21 noncategorical funds generated by state or local taxes or funds  
22 distributed through the Tax Equity and Educational Opportunities Support  
23 Act pursuant to the federal American Recovery and Reinvestment Act of  
24 2009 or the federal Education Jobs Fund created pursuant to Public Law  
25 111-226. The department shall establish a procedure to allow school  
26 districts to receive preapproval for categories of expenditures that  
27 could be included in poverty allowance expenditures.

28 (3) If the poverty allowance expenditures do not equal 117.65  
29 percent or more of the poverty allowance for the most recently available  
30 complete data year, the department shall calculate a poverty allowance  
31 correction. The poverty allowance correction shall equal the poverty

1 allowance minus eighty-five percent of the poverty allowance  
2 expenditures.

3 For aid calculated for school fiscal years prior to school fiscal year  
4 2016-17, if ~~If~~ the poverty allowance expenditures do not equal fifty  
5 percent or more of the allowance for such school fiscal year, the school  
6 district shall also be disqualified from receiving a poverty allowance  
7 for the school fiscal year for which aid is being calculated.

8 (4)(a)(i) For aid calculated for school fiscal years prior to school  
9 fiscal year 2016-17, if ~~If~~ the department determines that the school  
10 district did not meet the required elements of the poverty plan for the  
11 most recently available complete data year, the department shall  
12 calculate a poverty allowance correction equal to fifty percent of the  
13 poverty allowance for such school fiscal year and the school district  
14 shall also be disqualified from receiving a poverty allowance for the  
15 school fiscal year for which aid is being calculated.

16 (ii) For aid calculated for school fiscal year 2016-17 and each  
17 school fiscal year thereafter, if the department determines that the  
18 school district did not meet the required elements of the poverty plan  
19 for the most recently available complete data year, the department shall  
20 calculate a poverty allowance correction equal to five percent of the  
21 poverty allowance for such school fiscal year.

22 (b) Any poverty allowance correction calculated pursuant to this  
23 subsection shall be added to any poverty allowance correction calculated  
24 pursuant to subsection (3) of this section to arrive at the total poverty  
25 allowance correction.

26 (5) The department may request additional information from any  
27 school district to assist with calculations and determinations pursuant  
28 to this section. If the school district does not provide information upon  
29 the request of the department pursuant to this section, the school  
30 district shall be disqualified from receiving a poverty allowance for the  
31 school fiscal year for which aid is being calculated.

1           (6) The department shall provide electronically an annual report to  
2 the Legislature containing a general description of the expenditures and  
3 funding sources for programs related to poverty statewide and specific  
4 descriptions of the expenditures and funding sources for programs related  
5 to poverty for each school district.

6           (7) The state board shall establish a procedure for appeal of  
7 decisions of the department to the state board for a final determination.

8           2. Renumber the remaining sections and correct the repealer and  
9 internal references accordingly.