

ONE HUNDRED FOURTH LEGISLATURE - FIRST SESSION - 2015
COMMITTEE STATEMENT
LB509

Hearing Date: Monday February 09, 2015
Committee On: Education
Introducer: Cook
One Liner: Change and eliminate provisions relating to a poverty allowance under the state aid formula

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:

Aye: 8 Senators Baker, Cook, Groene, Kolowski, Morfeld, Pansing Brooks, Schnoor, Sullivan

Nay:

Absent:

Present Not Voting:

Verbal Testimony:

Proponents:

Senator Tanya Cook
Virgil Harden
Blane McCann
Mark Evans
Larry Scherer

Representing:

Introducer
Greater Nebraska Schools Association
Westside Community Schools
Omaha Public Schools
Nebraska State Education Association

Opponents:

Representing:

Neutral:

Bryce Wilson

Representing:

Nebraska Department of Education

Summary of purpose and/or changes:

Legislative Bill 509 would modify provisions regarding the poverty allowance in the Tax Equity and Educational Opportunities Support Act (TEEOSA) by eliminating disqualifications from the allowance, increasing the percentage of expenditures that could be covered by the allowance from 85% to 95%, decreasing the correction when poverty plan requirements are not met from 50% to 5%, and by decreasing the poverty plan transportation requirements by increasing the distance to the attendance center from 1 mile to 2 miles before transportation is required for students qualifying for free or reduced-price meals.

Section 79-1007.06 would be amended by removing provisions regarding disqualification from the calculation of the poverty allowance.

Section 79-1007.07 would be amended by increasing the proportion of poverty allowance expenditures that may be covered by the poverty allowance from 85% to 95%. In addition, provisions would be eliminated that disqualify districts from receiving the allowance when:

1. The most recent poverty expenditures do not equal at least 50% of the allowance;
 2. The school district did not meet the required elements of the poverty plan for the most recently available complete data year; or
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3. The districts does not provide information upon the request of the department to assist with the calculations and determinations related to the allowance.

The correction for not meeting required elements would be reduced from 50% of the allowance to 5%.

Section 79-1013 would be amended by modifying the requirement for poverty plans to include transportation for students qualifying for free or reduced-price lunches who reside more than 1 mile from the attendance center to only apply to students residing more than 2 miles from the attendance center.

Explanation of amendments:

The Committee Amendment would replace the original provisions of the measure while continuing to modify qualifications and calculations related to the poverty allowance in the Tax Equity and Educational Opportunities Support Act (TEEOSA). The one year disqualifications from the allowance for underspending and failure to comply with the required elements for poverty plans would be eliminated beginning with aid calculated for 2016-17. The correction calculated for failure to comply with the required elements for poverty plans would also be reduced from 50% of the allowance to 5% of the allowance also beginning with aid calculated for 2016-17.

Section 79-1007.06 would be amended to harmonize with the removal of the two provisions for disqualifications from the poverty allowance while recognizing that districts would continue to be required to meet the remaining requirements of section 79-1007 to be qualified for the allowance.

Section 79-1007.07 would be amended by limiting provisions that disqualify districts from receiving the allowance to aid calculated for school fiscal years prior to 2016-17 when:

1. The most recent poverty expenditures do not equal at least 50% of the allowance; or
2. The school district did not meet the required elements of the poverty plan for the most recently available complete data year.

Districts would continue to be disqualified if the districts does not provide information upon the request of the department to assist with the calculations and determinations related to the allowance. The correction for not meeting required elements of the poverty plan would be reduced from 50% of the allowance to 5% beginning with aid calculated for 2016-17.

Kate Sullivan, Chairperson