

LEGISLATURE OF NEBRASKA  
ONE HUNDRED FOURTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 323**

Introduced by Davis, 43; Baker, 30; Kolowski, 31.

Read first time January 15, 2015

Committee: Education

- 1 A BILL FOR AN ACT relating to schools; to create and provide duties for
- 2 the School Financing Review Commission; to state intent relating to
- 3 appropriations; and to declare an emergency.
- 4 Be it enacted by the people of the State of Nebraska,

1           Section 1. (1) The School Financing Review Commission is created.  
2 The commission shall consist of nineteen members, including: (a) Three  
3 members of the Legislature, appointed by the Executive Board of the  
4 Legislative Council; (b) two members representing postsecondary  
5 education, with expertise in the area of school finance; (c) the  
6 Commissioner of Education or his or her designee; (d) a representative of  
7 the Governor; (e) two members, each residing in a Class II school  
8 district; (f) two members, each residing in a Class III school district;  
9 (g) two members, each residing in a Class IV school district; (h) two  
10 members, each residing in a Class V school district; (i) two members from  
11 the state at large; (j) one member representing an educational service  
12 unit serving a rural area; and (k) one member representing an educational  
13 service unit serving an urban area.

14           (2) The members described in subdivisions (1)(b) and (d) through (k)  
15 of this section shall be appointed by the Governor with the approval of  
16 the Legislature within thirty days after the effective date of this act  
17 to serve through December 31, 2016. Vacancies shall be filled by the  
18 Governor for the remainder of the term. Members of the commission shall  
19 not receive any compensation for their services but shall be reimbursed  
20 for their actual and necessary expenses incurred as members of the  
21 commission as provided in sections 81-1174 to 81-1177.

22           (3) The commission shall cease to exist on December 31, 2016.

23           Sec. 2. The School Financing Review Commission shall conduct an in-  
24 depth review of the financing of the public elementary and secondary  
25 schools. The commission shall:

26           (1) Examine the option of using income as a component in the  
27 financing of schools;

28           (2) Examine the option of using sales tax as a component for local  
29 school funding, including, but not limited to, the experience of any  
30 other states with such option;

31           (3) Examine financing methods used in other states which offer

1 alternatives to heavy reliance on property tax;

2 (4) Examine financing issues as they relate to the quality and  
3 performance of the schools;

4 (5) Examine options for funding expanded prekindergarten services;

5 (6) Examine the costs and resources necessary to educate students in  
6 poverty and those with limited English proficiency;

7 (7) Examine methods used by other states to fund kindergarten  
8 through twelfth grade infrastructure needs; and

9 (8) Prepare a report with recommendations and a plan to implement  
10 the recommendations. The report shall be presented electronically to the  
11 Legislature by December 1, 2016.

12 Sec. 3. The School Financing Review Commission may:

13 (1) Hire staff, including, but not limited to, consultants;

14 (2) Obtain assistance from the State Department of Education and the  
15 Department of Revenue in acquiring data needed to carry out its duties;  
16 and

17 (3) Contract for any necessary facilities, equipment, and services,  
18 including computer services.

19 Sec. 4. It is the intent of the Legislature to appropriate from the  
20 General Fund such money as may be necessary to permit the School  
21 Financing Review Commission to carry out its duties. The appropriation  
22 shall be at least one hundred thousand dollars.

23 Sec. 5. Since an emergency exists, this act takes effect when  
24 passed and approved according to law.