

LEGISLATURE OF NEBRASKA
ONE HUNDRED FOURTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 903

Introduced by Baker, 30.

Read first time January 12, 2016

Committee: Education

1 A BILL FOR AN ACT relating to schools; to amend sections 79-102, 79-233,
2 79-237, 79-238, 79-413, 79-473, 79-528, 79-611, 79-850, 79-979,
3 79-1007.18, 79-1008.02, 79-1022, 79-1036, 79-1041, 79-10,120,
4 79-10,126, 79-1241.03, 79-2104, 79-2104.01, 79-2104.02, 79-2104.03,
5 79-2111, and 79-2404, Reissue Revised Statutes of Nebraska, sections
6 32-546.01, 32-604, 70-651.04, and 77-1736.06, Revised Statutes
7 Cumulative Supplement, 2014, and sections 77-3442, 79-215, 79-1001,
8 79-1007.11, 79-2110, and 79-2115, Revised Statutes Supplement, 2015;
9 to change provisions relating to learning community coordinating
10 councils; to change provisions relating to the option enrollment
11 program; to provide for an extreme poverty allowance pursuant to the
12 Tax Equity and Educational Opportunities Support Act; to change and
13 eliminate certain levy authority and open enrollment provisions
14 relating to learning communities; to eliminate the Learning
15 Community Reorganization Act; to harmonize provisions; to provide
16 operative dates; to repeal the original sections; and to outright
17 repeal sections 79-4,117, 79-4,118, 79-4,119, 79-4,120, 79-4,121,
18 79-4,122, 79-4,123, 79-4,124, 79-4,125, 79-4,126, 79-4,127,
19 79-4,128, 79-4,129, 79-1073, 79-1073.01, 79-10,126.01, and
20 79-2110.01, Reissue Revised Statutes of Nebraska.
21 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 32-546.01, Revised Statutes Cumulative
2 Supplement, 2014, is amended to read:

3 32-546.01 (1) Each learning community shall be governed by a
4 learning community coordinating council consisting of ~~eighteen voting~~
5 ~~members, with~~ twelve members elected on a nonpartisan ballot from six
6 numbered subcouncil districts created pursuant to section 32-555.01 ~~and~~
7 ~~with six members appointed from such subcouncil districts pursuant to~~
8 ~~this section~~. Each voter shall be allowed to cast votes for one candidate
9 at both the primary and general elections to represent the subcouncil
10 district in which the voter resides. The four candidates receiving the
11 most votes at the primary election shall advance to the general election.
12 The two candidates receiving the most votes at the general election shall
13 be elected. A candidate shall reside in the subcouncil district for which
14 he or she is a candidate. Coordinating council members shall be elected
15 on the nonpartisan ballot.

16 (2) The initial elected members shall be nominated at the statewide
17 primary election and elected at the statewide general election
18 immediately following the certification of the establishment of the
19 learning community, and subsequent members shall be nominated at
20 subsequent statewide primary elections and elected at subsequent
21 statewide general elections. Except as provided in this section, such
22 elections shall be conducted pursuant to the Election Act.

23 (3) Vacancies in office for elected members shall occur as set forth
24 in section 32-560. Whenever any such vacancy occurs, the remaining
25 elected members of such council shall appoint an individual residing
26 within the geographical boundaries of the subcouncil district for the
27 balance of the unexpired term.

28 (4) Members elected to represent odd-numbered districts in the first
29 election for the learning community coordinating council shall be elected
30 for two-year terms. Members elected to represent even-numbered districts
31 in the first election for the learning community coordinating council

1 shall be elected for four-year terms. Members elected in subsequent
2 elections shall be elected for four-year terms and until their successors
3 are elected and qualified.

4 ~~(5) The appointed members shall be appointed in November of each~~
5 ~~even-numbered year after the general election. Appointed members shall be~~
6 ~~school board members of school districts in the learning community either~~
7 ~~elected to take office the following January or continuing their current~~
8 ~~term of office for the following two years. For learning communities to~~
9 ~~be established the following January pursuant to orders issued pursuant~~
10 ~~to section 79-2102, the Secretary of State shall hold a meeting of the~~
11 ~~school board members of the school districts in such learning community~~
12 ~~to appoint one member from such school boards to represent each of the~~
13 ~~subcouncil districts on the coordinating council of such learning~~
14 ~~community. For subsequent appointments, the current appointed members of~~
15 ~~the coordinating council shall hold a meeting of the school board members~~
16 ~~of such school districts to appoint one member from such school boards to~~
17 ~~represent each of the subcouncil districts on the coordinating council of~~
18 ~~the learning community. The appointed members shall be selected by the~~
19 ~~school board members of the school districts in the learning community~~
20 ~~who reside in the subcouncil district to be represented pursuant to a~~
21 ~~secret ballot, shall reside in the subcouncil district to be represented,~~
22 ~~and shall be appointed for two-year terms and until their successors are~~
23 ~~appointed and qualified.~~

24 ~~(6) Vacancies in office for appointed members shall occur upon the~~
25 ~~resignation, death, or disqualification from office of an appointed~~
26 ~~member. Disqualification from office shall include ceasing membership on~~
27 ~~the school board for which membership qualified the member for the~~
28 ~~appointment to the learning community coordinating council or ceasing to~~
29 ~~reside in the subcouncil district represented by such member of the~~
30 ~~learning community coordinating council. Whenever such vacancy occurs,~~
31 ~~the remaining appointed members shall hold a meeting of the school board~~

1 ~~members of the school districts in such learning community to appoint a~~
2 ~~member from such school boards who lives in the subcouncil district to be~~
3 ~~represented to serve for the balance of the unexpired term.~~

4 ~~(7) Each learning community coordinating council shall also have a~~
5 ~~nonvoting member from each member school district which does not have~~
6 ~~either an elected or an appointed member who resides in the school~~
7 ~~district on the council. Such nonvoting members shall be appointed by the~~
8 ~~school board of the school district to be represented to serve for two-~~
9 ~~year terms, and notice of the nonvoting member selected shall be~~
10 ~~submitted to the Secretary of State by such board prior to December 31 of~~
11 ~~each even-numbered year. Each such nonvoting member shall be a resident~~
12 ~~of the appointing school district and shall not be a school administrator~~
13 ~~employed by such school district. Whenever a vacancy occurs, the school~~
14 ~~board of such school district shall appoint a new nonvoting member and~~
15 ~~submit notice to the Secretary of State and to the learning community~~
16 ~~coordinating council.~~

17 ~~(5 8) Members of a learning community coordinating council shall~~
18 ~~take office on the first Thursday after the first Tuesday in January~~
19 ~~following their election or appointment, except that members appointed to~~
20 ~~fill vacancies shall take office immediately following administration of~~
21 ~~the oath of office. Each voting member elected or appointed prior to~~
22 ~~April 6, 2010, shall be paid a per diem in an amount determined by such~~
23 ~~council up to two hundred dollars per day for official meetings of the~~
24 ~~council and the achievement subcouncil for which he or she is a member,~~
25 ~~for meetings that occur during the term of office for which the election~~
26 ~~or appointment of the member took place prior to April 6, 2010, up to a~~
27 ~~maximum of twelve thousand dollars per fiscal year. Each voting member~~
28 ~~shall be eligible for reimbursement of reasonable expenses related to~~
29 ~~service on the learning community coordinating council. Each nonvoting~~
30 ~~member shall be eligible for reimbursement of reasonable expenses related~~
31 ~~to service on the learning community coordinating council.~~

1 Sec. 2. Section 32-604, Revised Statutes Cumulative Supplement,
2 2014, is amended to read:

3 32-604 (1) Except as provided in subsection (2) or (4) of this
4 section, no person shall be precluded from being elected or appointed to
5 or holding an elective office for the reason that he or she has been
6 elected or appointed to or holds another elective office.

7 (2) No person serving as a member of the Legislature or in an
8 elective office described in Article IV, section 1 or 20, or Article VII,
9 section 3 or 10, of the Constitution of Nebraska shall simultaneously
10 serve in any other elective office, except that such a person may
11 simultaneously serve in another elective office which is filled at an
12 election held in conjunction with the annual meeting of a public body.

13 (3) Whenever an incumbent serving as a member of the Legislature or
14 in an elective office described in Article IV, section 1 or 20, or
15 Article VII, section 3 or 10, of the Constitution of Nebraska assumes
16 another elective office, except an elective office filled at an election
17 held in conjunction with the annual meeting of a public body, the office
18 first held by the incumbent shall be deemed vacant.

19 (4) No person serving in a high elective office shall simultaneously
20 serve in any other high elective office, except that a county attorney
21 may serve as the county attorney for more than one county if appointed
22 under subsection (2) of section 23-1201.01.

23 (5) Notwithstanding subsection (4) of this section, any person
24 holding more than one high elective office upon July 15, 2010, shall be
25 entitled to serve the remainder of all terms for which he or she was
26 elected or appointed.

27 (6) For purposes of this section, (a) elective office has the
28 meaning found in section 32-109 and includes an office which is filled at
29 an election held in conjunction with the annual meeting of a public body
30 created by an act of the Legislature ~~but does not include a member of a~~
31 ~~learning community coordinating council appointed pursuant to subsection~~

1 ~~(5) or (7) of section 32-546.01~~ and (b) high elective office means a
2 member of the Legislature, an elective office described in Article IV,
3 section 1 or 20, or Article VII, section 3 or 10, of the Constitution of
4 Nebraska, or a county, city, community college area, learning community,
5 or school district elective office.

6 Sec. 3. Section 70-651.04, Revised Statutes Cumulative Supplement,
7 2014, is amended to read:

8 70-651.04 All payments which are based on retail revenue from each
9 incorporated city or village shall be divided and distributed by the
10 county treasurer to that city or village, to the school districts located
11 in that city or village, ~~to any learning community located in that city~~
12 ~~or village,~~ and to the county in which may be located any such
13 incorporated city or village in the proportion that their respective
14 property tax levies in the preceding year bore to the total of such
15 levies, ~~except that the only learning community levies to be included are~~
16 ~~the common levies for which the proceeds are distributed to member school~~
17 ~~districts pursuant to sections 79-1073 and 79-1073.01.~~

18 Sec. 4. Section 77-1736.06, Revised Statutes Cumulative Supplement,
19 2014, is amended to read:

20 77-1736.06 The following procedure shall apply when making a
21 property tax refund:

22 (1) Within thirty days of the entry of a final nonappealable order,
23 an unprotested determination of a county assessor, an unappealed decision
24 of a county board of equalization, or other final action requiring a
25 refund of real or personal property taxes paid or, for property valued by
26 the state, within thirty days of a recertification of value by the
27 Property Tax Administrator pursuant to section 77-1775 or 77-1775.01, the
28 county assessor shall determine the amount of refund due the person
29 entitled to the refund, certify that amount to the county treasurer, and
30 send a copy of such certification to the person entitled to the refund.
31 Within thirty days from the date the county assessor certifies the amount

1 of the refund, the county treasurer shall notify each political
2 subdivision, including any ~~school district receiving a distribution~~
3 ~~pursuant to section 79-1073 or 79-1073.01~~ and any land bank receiving
4 real property taxes pursuant to subdivision (3)(a) of section 19-5211, of
5 its respective share of the refund, except that for any political
6 subdivision whose share of the refund is two hundred dollars or less, the
7 county board may waive this notice requirement. Notification shall be by
8 first-class mail, postage prepaid, to the last-known address of record of
9 the political subdivision. The county treasurer shall pay the refund from
10 funds in his or her possession belonging to any political subdivision,
11 including any ~~school district receiving a distribution pursuant to~~
12 ~~section 79-1073 or 79-1073.01~~ and any land bank receiving real property
13 taxes pursuant to subdivision (3)(a) of section 19-5211, which received
14 any part of the tax or penalty being refunded. If sufficient funds are
15 not available or the political subdivision, within thirty days of the
16 mailing of the notice by the county treasurer if applicable, certifies to
17 the county treasurer that a hardship would result and create a serious
18 interference with its governmental functions if the refund of the tax or
19 penalty is paid, the county treasurer shall register the refund or
20 portion thereof which remains unpaid as a claim against such political
21 subdivision and shall issue the person entitled to the refund a receipt
22 for the registration of the claim. The certification by a political
23 subdivision declaring a hardship shall be binding upon the county
24 treasurer;

25 (2) The refund of a tax or penalty or the receipt for the
26 registration of a claim made or issued pursuant to this section shall be
27 satisfied in full as soon as practicable and in no event later than five
28 years from the date the final order or other action approving a refund is
29 entered. The governing body of the political subdivision shall make
30 provisions in its budget for the amount of any refund or claim to be
31 satisfied pursuant to this section. If a receipt for the registration of

1 a claim is given:

2 (a) Such receipt shall be applied to satisfy any tax levied or
3 assessed by that political subdivision next falling due from the person
4 holding the receipt after the sixth next succeeding levy is made on
5 behalf of the political subdivision following the final order or other
6 action approving the refund; and

7 (b) To the extent the amount of such receipt exceeds the amount of
8 such tax liability, the unsatisfied balance of the receipt shall be paid
9 and satisfied within the five-year period prescribed in this subdivision
10 from a combination of a credit against taxes anticipated to be due to the
11 political subdivision during such period and cash payment from any funds
12 expected to accrue to the political subdivision pursuant to a written
13 plan to be filed by the political subdivision with the county treasurer
14 no later than thirty days after the claim against the political
15 subdivision is first reduced by operation of a credit against taxes due
16 to such political subdivision.

17 If a political subdivision fails to fully satisfy the refund or
18 claim prior to the sixth next succeeding levy following the entry of a
19 final nonappealable order or other action approving a refund, interest
20 shall accrue on the unpaid balance commencing on the sixth next
21 succeeding levy following such entry or action at the rate set forth in
22 section 45-103;

23 (3) The county treasurer shall mail the refund or the receipt by
24 first-class mail, postage prepaid, to the last-known address of the
25 person entitled thereto. Multiple refunds to the same person may be
26 combined into one refund or credit. If a refund is not claimed by June 1
27 of the year following the year of mailing, the refund shall be canceled
28 and the resultant amount credited to the various funds originally
29 charged;

30 (4) When the refund involves property valued by the state, the Tax
31 Commissioner shall be authorized to negotiate a settlement of the amount

1 of the refund or claim due pursuant to this section on behalf of the
2 political subdivision from which such refund or claim is due. Any
3 political subdivision which does not agree with the settlement terms as
4 negotiated may reject such terms, and the refund or claim due from the
5 political subdivision then shall be satisfied as set forth in this
6 section as if no such negotiation had occurred;

7 (5) In the event that the Legislature appropriates state funds to be
8 disbursed for the purposes of satisfying all or any portion of any refund
9 or claim, the Tax Commissioner shall order the county treasurer to
10 disburse such refund amounts directly to the persons entitled to the
11 refund in partial or total satisfaction of such persons' claims. The
12 county treasurer shall disburse such amounts within forty-five days after
13 receipt thereof; and

14 (6) If all or any portion of the refund is reduced by way of
15 settlement or forgiveness by the person entitled to the refund, the
16 proportionate amount of the refund that was paid by an appropriation of
17 state funds shall be reimbursed by the county treasurer to the State
18 Treasurer within forty-five days after receipt of the settlement
19 agreement or receipt of the forgiven refund. The amount so reimbursed
20 shall be credited to the General Fund.

21 Sec. 5. Section 77-3442, Revised Statutes Supplement, 2015, is
22 amended to read:

23 77-3442 (1) Property tax levies for the support of local governments
24 for fiscal years beginning on or after July 1, 1998, shall be limited to
25 the amounts set forth in this section except as provided in section
26 77-3444.

27 (2)(a) Except as provided in subdivision (2)(c) ~~(2)(e)~~ of this
28 section, school districts and multiple-district school systems, ~~except~~
29 ~~learning communities and school districts that are members of learning~~
30 ~~communities,~~ may levy a maximum levy of one dollar and five cents per one
31 hundred dollars of taxable valuation of property subject to the levy.

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

6 ~~(c) Except as provided in subdivision (2)(e) of this section, for~~
7 ~~each fiscal year, school districts that are members of learning~~
8 ~~communities may levy for purposes of such districts' general fund budget~~
9 ~~and special building funds a maximum combined levy of the difference of~~
10 ~~one dollar and five cents on each one hundred dollars of taxable property~~
11 ~~subject to the levy minus the learning community levies pursuant to~~
12 ~~subdivisions (2)(b) and (2)(g) of this section for such learning~~
13 ~~community.~~

14 ~~(b d)~~ Excluded from the limitations in subdivision ~~subdivisions~~ (2)
15 (a) ~~and (2)(c)~~ of this section are amounts levied to pay for sums agreed
16 to be paid by a school district to certificated employees in exchange for
17 a voluntary termination of employment and amounts levied to pay for
18 special building funds and sinking funds established for projects
19 commenced prior to April 1, 1996, for construction, expansion, or
20 alteration of school district buildings. For purposes of this subsection,
21 commenced means any action taken by the school board on the record which
22 commits the board to expend district funds in planning, constructing, or
23 carrying out the project.

24 ~~(c e)~~ Federal aid school districts may exceed the maximum levy
25 prescribed by subdivision (2)(a) ~~or (2)(c)~~ of this section only to the
26 extent necessary to qualify to receive federal aid pursuant to Title VIII
27 of Public Law 103-382, as such title existed on September 1, 2001. For
28 purposes of this subdivision, federal aid school district means any
29 school district which receives ten percent or more of the revenue for its
30 general fund budget from federal government sources pursuant to Title
31 VIII of Public Law 103-382, as such title existed on September 1, 2001.

1 ~~(f) For school fiscal year 2002-03 through school fiscal year~~
2 ~~2007-08, school districts and multiple district school systems may, upon~~
3 ~~a three-fourths majority vote of the school board of the school district,~~
4 ~~the board of the unified system, or the school board of the high school~~
5 ~~district of the multiple district school system that is not a unified~~
6 ~~system, exceed the maximum levy prescribed by subdivision (2)(a) of this~~
7 ~~section in an amount equal to the net difference between the amount of~~
8 ~~state aid that would have been provided under the Tax Equity and~~
9 ~~Educational Opportunities Support Act without the temporary aid~~
10 ~~adjustment factor as defined in section 79-1003 for the ensuing school~~
11 ~~fiscal year for the school district or multiple district school system~~
12 ~~and the amount provided with the temporary aid adjustment factor. The~~
13 ~~State Department of Education shall certify to the school districts and~~
14 ~~multiple district school systems the amount by which the maximum levy may~~
15 ~~be exceeded for the next school fiscal year pursuant to this subdivision~~
16 ~~(f) of this subsection on or before February 15 for school fiscal years~~
17 ~~2004-05 through 2007-08.~~

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

23 ~~(d h) For each fiscal year, learning communities may levy a maximum~~
24 ~~levy of two ~~one-half~~ cent on each one hundred dollars of taxable property~~
25 ~~subject to the levy for elementary learning center facility leases, for~~
26 ~~remodeling of leased elementary learning center facilities, and for up to~~
27 ~~fifty percent of the estimated cost for focus school or program capital~~
28 ~~projects approved by the learning community coordinating council pursuant~~
29 ~~to section 79-2111, for evaluation and research pursuant to section~~
30 ~~79-2104.02 with the approval of the learning community coordinating~~
31 ~~council, for early childhood education programs for children in poverty,~~

1 for elementary learning center employees, for contracts with other
2 entities or individuals who are not employees of the learning community
3 for elementary learning center programs and services, and for pilot
4 projects, except that no more than ten percent of such levy may be used
5 for elementary learning center employees.

6 ~~(i) For each fiscal year, learning communities may levy a maximum~~
7 ~~levy of one and one-half cents on each one hundred dollars of taxable~~
8 ~~property subject to the levy for early childhood education programs for~~
9 ~~children in poverty, for elementary learning center employees, for~~
10 ~~contracts with other entities or individuals who are not employees of the~~
11 ~~learning community for elementary learning center programs and services,~~
12 ~~and for pilot projects, except that no more than ten percent of such levy~~
13 ~~may be used for elementary learning center employees.~~

14 (3)(a) For fiscal years 2011-12 and 2012-13, community college areas
15 may levy a maximum of ten and one-quarter cents per one hundred dollars
16 of taxable valuation of property subject to the levy for operating
17 expenditures and may also levy the additional levies provided in
18 subdivisions (1)(b) and (c) of section 85-1517.

19 (b) For fiscal year 2013-14 and each fiscal year thereafter,
20 community college areas may levy the levies provided in subdivisions (2)
21 (a) through (c) of section 85-1517, in accordance with the provisions of
22 such subdivisions. A community college area may exceed the levy provided
23 in subdivision (2)(b) of section 85-1517 by the amount necessary to
24 retire general obligation bonds assumed by the community college area or
25 issued pursuant to section 85-1515 according to the terms of such bonds
26 or for any obligation pursuant to section 85-1535 entered into prior to
27 January 1, 1997.

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

31 (b) Natural resources districts shall also have the power and

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

9 (c) In addition, natural resources districts located in a river
10 basin, subbasin, or reach that has been determined to be fully
11 appropriated pursuant to section 46-714 or designated as overappropriated
12 pursuant to section 46-713 by the Department of Natural Resources shall
13 also have the power and authority to levy a tax equal to the dollar
14 amount by which their restricted funds budgeted to administer and
15 implement ground water management activities and integrated management
16 activities under the Nebraska Ground Water Management and Protection Act
17 exceed their restricted funds budgeted to administer and implement ground
18 water management activities and integrated management activities for
19 FY2005-06, not to exceed three cents on each one hundred dollars of
20 taxable valuation on all of the taxable property within the district for
21 fiscal year 2006-07 and each fiscal year thereafter through fiscal year
22 2017-18.

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

27 (6)(a) Incorporated cities and villages which are not within the
28 boundaries of a municipal county may levy a maximum levy of forty-five
29 cents per one hundred dollars of taxable valuation of property subject to
30 the levy plus an additional five cents per one hundred dollars of taxable
31 valuation to provide financing for the municipality's share of revenue

1 required under an agreement or agreements executed pursuant to the
2 Interlocal Cooperation Act or the Joint Public Agency Act. The maximum
3 levy shall include amounts levied to pay for sums to support a library
4 pursuant to section 51-201, museum pursuant to section 51-501, visiting
5 community nurse, home health nurse, or home health agency pursuant to
6 section 71-1637, or statue, memorial, or monument pursuant to section
7 80-202.

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

16 (7) Sanitary and improvement districts which have been in existence
17 for more than five years may levy a maximum levy of forty cents per one
18 hundred dollars of taxable valuation of property subject to the levy, and
19 sanitary and improvement districts which have been in existence for five
20 years or less shall not have a maximum levy. Unconsolidated sanitary and
21 improvement districts which have been in existence for more than five
22 years and are located in a municipal county may levy a maximum of eighty-
23 five cents per hundred dollars of taxable valuation of property subject
24 to the levy.

25 (8) Counties may levy or authorize a maximum levy of fifty cents per
26 one hundred dollars of taxable valuation of property subject to the levy,
27 except that five cents per one hundred dollars of taxable valuation of
28 property subject to the levy may only be levied to provide financing for
29 the county's share of revenue required under an agreement or agreements
30 executed pursuant to the Interlocal Cooperation Act or the Joint Public
31 Agency Act. The maximum levy shall include amounts levied to pay for sums

1 to support a library pursuant to section 51-201 or museum pursuant to
2 section 51-501. The county may allocate up to fifteen cents of its
3 authority to other political subdivisions subject to allocation of
4 property tax authority under subsection (1) of section 77-3443 and not
5 specifically covered in this section to levy taxes as authorized by law
6 which do not collectively exceed fifteen cents per one hundred dollars of
7 taxable valuation on any parcel or item of taxable property. The county
8 may allocate to one or more other political subdivisions subject to
9 allocation of property tax authority by the county under subsection (1)
10 of section 77-3443 some or all of the county's five cents per one hundred
11 dollars of valuation authorized for support of an agreement or agreements
12 to be levied by the political subdivision for the purpose of supporting
13 that political subdivision's share of revenue required under an agreement
14 or agreements executed pursuant to the Interlocal Cooperation Act or the
15 Joint Public Agency Act. If an allocation by a county would cause another
16 county to exceed its levy authority under this section, the second county
17 may exceed the levy authority in order to levy the amount allocated.

18 (9) Municipal counties may levy or authorize a maximum levy of one
19 dollar per one hundred dollars of taxable valuation of property subject
20 to the levy. The municipal county may allocate levy authority to any
21 political subdivision or entity subject to allocation under section
22 77-3443.

23 (10) Rural and suburban fire protection districts may levy a maximum
24 levy of ten and one-half cents per one hundred dollars of taxable
25 valuation of property subject to the levy if (a) such district is located
26 in a county that had a levy pursuant to subsection (8) of this section in
27 the previous year of at least forty cents per one hundred dollars of
28 taxable valuation of property subject to the levy or (b) for any rural or
29 suburban fire protection district that had a levy request pursuant to
30 section 77-3443 in the previous year, the county board of the county in
31 which the greatest portion of the valuation of such district is located

1 did not authorize any levy authority to such district in the previous
2 year.

3 (11) Property tax levies (a) for judgments, except judgments or
4 orders from the Commission of Industrial Relations, obtained against a
5 political subdivision which require or obligate a political subdivision
6 to pay such judgment, to the extent such judgment is not paid by
7 liability insurance coverage of a political subdivision, (b) for
8 preexisting lease-purchase contracts approved prior to July 1, 1998, (c)
9 for bonds as defined in section 10-134 approved according to law and
10 secured by a levy on property except as provided in section 44-4317 for
11 bonded indebtedness issued by educational service units and school
12 districts, and (d) for payments by a public airport to retire interest-
13 free loans from the Department of Aeronautics in lieu of bonded
14 indebtedness at a lower cost to the public airport are not included in
15 the levy limits established by this section.

16 (12) The limitations on tax levies provided in this section are to
17 include all other general or special levies provided by law.
18 Notwithstanding other provisions of law, the only exceptions to the
19 limits in this section are those provided by or authorized by sections
20 77-3442 to 77-3444.

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

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

27 (15) For school districts that file a binding resolution on or
28 before May 9, 2008, with the county assessors, county clerks, and county
29 treasurers for all counties in which the school district has territory
30 pursuant to subsection (7) of section 79-458, if the combined levies,
31 except levies for bonded indebtedness approved by the voters of the

1 school district and levies for the refinancing of such bonded
2 indebtedness, are in excess of the greater of (a) one dollar and twenty
3 cents per one hundred dollars of taxable valuation of property subject to
4 the levy or (b) the maximum levy authorized by a vote pursuant to section
5 77-3444, all school district levies, except levies for bonded
6 indebtedness approved by the voters of the school district and levies for
7 the refinancing of such bonded indebtedness, shall be considered
8 unauthorized levies under section 77-1606.

9 Sec. 6. Section 79-102, Reissue Revised Statutes of Nebraska, is
10 amended to read:

11 79-102 School districts in this state are classified as follows:

12 (1) Class I includes any school district that maintains only
13 elementary grades under the direction of a single school board;

14 (2) Class II includes any school district embracing territory having
15 a population of one thousand inhabitants or less that maintains both
16 elementary and high school grades under the direction of a single school
17 board;

18 (3) Class III includes any school district embracing territory
19 having a population of more than one thousand and less than one hundred
20 fifty thousand inhabitants that maintains both elementary and high school
21 grades under the direction of a single school board;

22 (4) Class IV includes any school district embracing territory having
23 a population of one hundred thousand or more inhabitants with a city of
24 the primary class within the territory of the district that maintains
25 both elementary and high school grades under the direction of a single
26 school board;

27 (5) Class V includes any school district whose employees participate
28 in a retirement system established pursuant to the Class V School
29 Employees Retirement Act and which embraces territory having a city of
30 the metropolitan class within the territory of the district that
31 maintains both elementary grades and high school grades under the

1 ~~direction of a single school board and any school district with territory~~
2 ~~in a city of the metropolitan class created pursuant to the Learning~~
3 ~~Community Reorganization Act and designated as a Class V school district~~
4 ~~in the reorganization plan; and~~

5 (6) Class VI includes any school district in this state that
6 maintains only a high school, or a high school and grades seven and eight
7 or six through eight as provided in section 79-411, under the direction
8 of a single school board.

9 Sec. 7. Section 79-215, Revised Statutes Supplement, 2015, is
10 amended to read:

11 79-215 (1) Except as otherwise provided in this section, a student
12 is a resident of the school district where he or she resides and shall be
13 admitted to any such school district upon request without charge.

14 (2) A school board shall admit a student upon request without charge
15 if at least one of the student's parents resides in the school district.

16 (3) A school board shall admit any homeless student upon request
17 without charge if the district is the district in which the student (a)
18 is currently located, (b) attended when permanently housed, or (c) was
19 last enrolled.

20 (4) A school board may allow a student whose residency in the
21 district ceases during a school year to continue attending school in such
22 district for the remainder of that school year.

23 (5) A school board may admit nonresident students to the school
24 district pursuant to a contract with the district where the student is a
25 resident and shall collect tuition pursuant to the contract.

26 (6) A school board may admit nonresident students to the school
27 district pursuant to the enrollment option program as authorized by
28 sections 79-232 to 79-246, and such admission shall be without charge.

29 (7) A school board of any school district that is a member of a
30 learning community shall admit nonresident students to the school
31 district pursuant to the enrollment option program established pursuant

1 ~~to sections 79-232 to 79-246 open enrollment provisions of a diversity~~
2 ~~plan in a learning community as authorized by section 79-2110,~~ and such
3 admission shall be without charge.

4 (8) A school board may admit a student who is a resident of another
5 state to the school district and collect tuition in advance at a rate
6 determined by the school board.

7 (9) When a student as a ward of the state or as a ward of any court
8 (a) has been placed in a school district other than the district in which
9 he or she resided at the time he or she became a ward and such ward does
10 not reside in a foster family home licensed or approved by the Department
11 of Health and Human Services or a foster home maintained or used pursuant
12 to section 83-108.04 or (b) has been placed in any institution which
13 maintains a special education program which has been approved by the
14 State Department of Education and such institution is not owned or
15 operated by the district in which he or she resided at the time he or she
16 became a ward, the cost of his or her education and the required
17 transportation costs associated with the student's education shall be
18 paid by the state, but not in advance, to the receiving school district
19 or approved institution under rules and regulations prescribed by the
20 Department of Health and Human Services and the student shall remain a
21 resident of the district in which he or she resided at the time he or she
22 became a ward. Any student who is a ward of the state or a ward of any
23 court who resides in a foster family home licensed or approved by the
24 Department of Health and Human Services or a foster home maintained or
25 used pursuant to section 83-108.04 shall be deemed a resident of the
26 district in which he or she resided at the time he or she became a foster
27 child, unless it is determined under section 43-1311 or 43-1312 that he
28 or she will not attend such district in which case he or she shall be
29 deemed a resident of the district in which the foster family home or
30 foster home is located.

31 (10)(a) When a student is not a ward of the state or a ward of any

1 court and is residing in a residential setting located in Nebraska for
2 reasons other than to receive an education and the residential setting is
3 operated by a service provider which is certified or licensed by the
4 Department of Health and Human Services or is enrolled in the medical
5 assistance program established pursuant to the Medical Assistance Act and
6 Title XIX or XXI of the federal Social Security Act, as amended, the
7 student shall remain a resident of the district in which he or she
8 resided immediately prior to residing in such residential setting. The
9 resident district for a student who is not a ward of the state or a ward
10 of any court does not change when the student moves from one residential
11 setting to another.

12 (b) If a student is residing in a residential setting as described
13 in subdivision (10)(a) of this section and such residential setting does
14 not maintain an interim-program school as defined in section 79-1119.01
15 or an approved or accredited school, the resident school district shall
16 contract with the district in which such residential setting is located
17 for the provision of all educational services, including all special
18 education services and support services as defined in section 79-1125.01,
19 unless a parent or guardian and the resident school district agree that
20 an appropriate education will be provided by the resident school district
21 while the student is residing in such residential setting. If the
22 resident school district is required to contract, the district in which
23 such residential setting is located shall contract with the resident
24 district and provide all educational services, including all special
25 education services, to the student. If the two districts cannot agree on
26 the amount of the contract, the State Department of Education shall
27 determine the amount to be paid by the resident district to the district
28 in which such residential setting is located based on the needs of the
29 student, approved special education rates, the department's general
30 experience with special education budgets, and the cost per student in
31 the district in which such residential setting is located. Once the

1 contract has been entered into, all legal responsibility for special
2 education and related services shall be transferred to the school
3 district in which the residential setting is located.

4 (c) If a student is residing in a residential setting as described
5 in subdivision (10)(a) of this section and such residential setting
6 maintains an interim-program school as defined in section 79-1119.01 or
7 an approved or accredited school, the department shall reimburse such
8 residential setting for the provision of all educational services,
9 including all special education services and support services, with the
10 amount of payment for all educational services determined pursuant to the
11 average per pupil cost of the service agency as defined in section
12 79-1116. The resident school district shall retain responsibility for
13 such student's individualized education plan, if any. The educational
14 services may be provided through (i) such interim-program school or
15 approved or accredited school, (ii) a contract between the residential
16 setting and the school district in which such residential setting is
17 located, (iii) a contract between the residential setting and another
18 service agency as defined in section 79-1124, or (iv) a combination of
19 such educational service providers.

20 (d) If a school district pays a school district in which a
21 residential setting is located for educational services provided pursuant
22 to subdivision (10)(b) of this section and it is later determined that a
23 different school district was the resident school district for such
24 student at the time such educational services were provided, the school
25 district that was later determined to be the resident school district
26 shall reimburse the school district that initially paid for the
27 educational services one hundred ten percent of the amount paid.

28 (e) A student residing in a residential setting described in this
29 subsection shall be defined as a student with a handicap pursuant to
30 Article VII, section 11, of the Constitution of Nebraska, and as such the
31 state and any political subdivision may contract with institutions not

1 wholly owned or controlled by the state or any political subdivision to
2 provide the educational services to the student if such educational
3 services are nonsectarian in nature.

4 (11) In the case of any individual eighteen years of age or younger
5 who is a ward of the state or any court and who is placed in a county
6 detention home established under section 43-2,110, the cost of his or her
7 education shall be paid by the state, regardless of the district in which
8 he or she resided at the time he or she became a ward, to the agency or
9 institution which: (a) Is selected by the county board with jurisdiction
10 over such detention home; (b) has agreed or contracted with such county
11 board to provide educational services; and (c) has been approved by the
12 State Department of Education pursuant to rules and regulations
13 prescribed by the State Board of Education.

14 (12) No tuition shall be charged for students who may be by law
15 allowed to attend the school without charge.

16 (13) On a form prescribed by the State Department of Education, an
17 adult with legal or actual charge or control of a student shall provide
18 the name of the student, the name of the adult with legal or actual
19 charge or control of the student, the address where the student is
20 residing, and the telephone number and address where the adult may
21 generally be reached during the school day. If the student is homeless or
22 if the adult does not have a telephone number and address where he or she
23 may generally be reached during the school day, those parts of the form
24 may be left blank and a box may be marked acknowledging that these are
25 the reasons these parts of the form were left blank. The adult with legal
26 or actual charge or control of the student shall also sign the form.

27 (14) The department may adopt and promulgate rules and regulations
28 to carry out the department's responsibilities under this section.

29 Sec. 8. Section 79-233, Reissue Revised Statutes of Nebraska, is
30 amended to read:

31 79-233 For purposes of sections 79-232 to 79-246:

1 (1) Enrollment option program means the program established in
2 section 79-234;

3 (2) Option school district means the public school district that an
4 option student chooses to attend instead of his or her resident school
5 district;

6 (3) Option student means a student that has chosen to attend an
7 option school district, including a student who resides in a learning
8 community and began attendance as an option student in an option school
9 district in such learning community prior to the end of the first full
10 school year for which the option school district will be a member of such
11 learning community, ~~but not including a student who resides in a learning~~
12 ~~community and who attends pursuant to section 79-2110 another school~~
13 ~~district in such learning community;~~

14 (4) Resident school district means the public school district in
15 which a student resides or the school district in which the student is
16 admitted as a resident of the school district pursuant to section 79-215;
17 and

18 (5) Siblings means all children residing in the same household on a
19 permanent basis who have the same mother or father or who are stepbrother
20 or stepsister to each other.

21 Sec. 9. Section 79-237, Reissue Revised Statutes of Nebraska, is
22 amended to read:

23 79-237 (1) For a student to begin attendance as an option student in
24 an option school district which is not in a learning community in which
25 the student resides, the student's parent or legal guardian shall submit
26 an application to the school board of the option school district between
27 September 1 and March 15 for attendance during the following and
28 subsequent school years. Except as provided in subsection (2) of this
29 section, applications submitted after March 15 shall contain a release
30 approval from the resident school district on the application form
31 prescribed and furnished by the State Department of Education pursuant to

1 subsection (7 8) of this section. A district may not accept or approve
2 any applications submitted after such date without such a release
3 approval. The option school district shall provide the resident school
4 district with the name of the applicant on or before April 1 or, in the
5 case of an application submitted after March 15, within sixty days after
6 submission. The option school district shall notify, in writing, the
7 parent or legal guardian of the student and the resident school district
8 whether the application is accepted or rejected on or before April 1 or,
9 in the case of an application submitted after March 15, within sixty days
10 after submission.

11 (2) A student who relocates to a different resident school district
12 after February 1, whose option school district merges with another
13 district effective after February 1, or whose qualification for the
14 option for school year 2013-14 is changed pursuant to the changes made to
15 subsection (1) of section 79-234 by Laws 2013, LB410, may submit an
16 application to the school board of an option school district for
17 attendance during the immediately following and subsequent school years.
18 Such application does not require the release approval of the resident
19 school district. The option school district shall accept or reject such
20 application within forty-five days.

21 ~~(3) For a student who resides in a learning community to begin~~
22 ~~attendance in an option school district which is a member of such~~
23 ~~learning community, the student's parent or legal guardian shall submit~~
24 ~~an application to the school board of the option school district (a) for~~
25 ~~any learning community established prior to February 13, 2009, between~~
26 ~~February 13, 2009, and April 1, 2009, or (b) for any learning community~~
27 ~~established thereafter, between September 1 and March 15. Applications~~
28 ~~submitted after such deadlines shall be accompanied by a written release~~
29 ~~from the resident school district. Students who reside in a learning~~
30 ~~community shall only begin attendance in an option school district which~~
31 ~~is a member of such learning community prior to the end of the first full~~

1 ~~school year for which the option school district is a member of such~~
2 ~~learning community. The option school district shall provide the resident~~
3 ~~school district with the name of the applicant within five days after the~~
4 ~~applicable deadline. The option school district shall notify, in writing,~~
5 ~~the parent or legal guardian of the student and the resident school~~
6 ~~district whether the application is accepted or rejected on or before~~
7 ~~April 1. A parent or guardian may provide information on the application~~
8 ~~regarding the applicant's potential qualification for free or reduced-~~
9 ~~price lunches. Any such information provided shall be subject to~~
10 ~~verification and shall only be used for the purposes of subsection (4) of~~
11 ~~section 79-238. Nothing in this subsection requires a parent or guardian~~
12 ~~to provide such information. Determinations about an applicant's~~
13 ~~qualification for free or reduced-price lunches for purposes of~~
14 ~~subsection (4) of section 79-238 shall be based on any verified~~
15 ~~information provided on the application. If no such information is~~
16 ~~provided, the student shall be presumed not to qualify for free or~~
17 ~~reduced-price lunches for the purposes of subsection (4) of section~~
18 ~~79-238.~~

19 (3 4) Applications for students who do not actually attend the
20 option school district may be withdrawn in good standing upon mutual
21 agreement by both the resident and option school districts.

22 (4 5) No option student shall attend an option school district for
23 less than one school year unless the student relocates to a different
24 resident school district, completes requirements for graduation prior to
25 the end of his or her senior year, transfers to a private or parochial
26 school, or upon mutual agreement of the resident and option school
27 districts cancels the enrollment option and returns to the resident
28 school district.

29 (5 6) Except as provided in subsection (4 5) of this section, the
30 option student shall attend the option school district until graduation
31 unless the student relocates in a different resident school district,

1 transfers to a private or parochial school, or chooses to return to the
2 resident school district.

3 (6 7) In each case of cancellation pursuant to subsections (4) and
4 (5) and ~~(6)~~ of this section, the student's parent or legal guardian shall
5 provide written notification to the school board of the option school
6 district and the resident school district on forms prescribed and
7 furnished by the department under subsection (7 8) of this section in
8 advance of such cancellation.

9 (7 8) The application and cancellation forms shall be prescribed and
10 furnished by the State Department of Education.

11 (8 9) An option student who subsequently chooses to attend a private
12 or parochial school shall be automatically accepted to return to either
13 the resident school district or option school district upon the
14 completion of the grade levels offered at the private or parochial
15 school. If such student chooses to return to the option school district,
16 the student's parent or legal guardian shall submit another application
17 to the school board of the option school district which shall be
18 automatically accepted, and the deadlines prescribed in this section
19 shall be waived.

20 Sec. 10. Section 79-238, Reissue Revised Statutes of Nebraska, is
21 amended to read:

22 79-238 (1) Except as provided in section 79-240, the school board of
23 the option school district shall adopt by resolution specific standards
24 for acceptance and rejection of applications. Standards may include the
25 capacity of a program, class, grade level, or school building or the
26 availability of appropriate special education programs operated by the
27 option school district. Capacity shall be determined by setting a maximum
28 number of option students that a district will accept in any program,
29 class, grade level, or school building, based upon available staff,
30 facilities, projected enrollment of resident students, projected number
31 of students with which the option school district will contract based on

1 existing contractual arrangements, and availability of appropriate
2 special education programs. The school board of the option school
3 district may by resolution declare a program, a class, or a school
4 unavailable to option students due to lack of capacity. Standards shall
5 not include previous academic achievement, athletic or other
6 extracurricular ability, disabilities, proficiency in the English
7 language, or previous disciplinary proceedings except as provided in
8 section 79-266.01. False or substantively misleading information
9 submitted by a parent or guardian on an application to an option school
10 district may be cause for the option school district to reject a
11 previously accepted application if the rejection occurs prior to the
12 student's attendance as an option student.

13 (2) The school board of every school district shall also adopt
14 standards and conditions for acceptance or rejection of a request for
15 release of a resident student submitting an application to an option
16 school district after March 15 under subsection (1) of section 79-237.

17 (3) Any option school district shall give first priority for
18 enrollment to siblings of option students, except that the option school
19 district shall not be required to accept the sibling of an option student
20 if the district is at capacity except as provided in subsection (1) of
21 section 79-240.

22 ~~(4) Any option school district that is in a learning community shall~~
23 ~~give second priority for enrollment to students who reside in the~~
24 ~~learning community and who contribute to the socioeconomic diversity of~~
25 ~~enrollment as defined in section 79-2110 at the school building to which~~
26 ~~the student will be assigned pursuant to section 79-235.~~

27 Sec. 11. Section 79-413, Reissue Revised Statutes of Nebraska, is
28 amended to read:

29 79-413 (1) The State Committee for the Reorganization of School
30 Districts created under section 79-435 may create a new school district
31 from other districts, change the boundaries of any district ~~that is not a~~

1 ~~member of a learning community~~, or affiliate a Class I district or
2 portion thereof with one or more existing Class II, III, IV, or V
3 districts upon receipt of petitions signed by sixty percent of the legal
4 voters of each district affected. If the petitions contain signatures of
5 at least sixty-five percent of the legal voters of each district
6 affected, the state committee shall approve the petitions. When area is
7 added to a Class VI district or when a Class I district which is entirely
8 or partially within a Class VI district is taken from the Class VI
9 district, the Class VI district shall be deemed to be an affected
10 district.

11 Any petition of the legal voters of a Class I district in which no
12 city or village is situated which is commenced after January 1, 1996, and
13 proposes the dissolution of the Class I district and the attachment of a
14 portion of it to two or more districts shall require signatures of more
15 than fifty percent of the legal voters of such Class I district. If the
16 state committee determines that such petition contains valid signatures
17 of more than fifty percent of the legal voters of such Class I district,
18 the state committee shall grant the petition.

19 (2)(a) Petitions proposing to change the boundaries of existing
20 school districts ~~that are not members of a learning community~~ through the
21 transfer of a parcel of land, not to exceed six hundred forty acres,
22 shall be approved by the state committee when the petitions involve the
23 transfer of land between Class I, II, III, or IV school districts or when
24 there would be an exchange of parcels of land between Class I, II, III,
25 or IV school districts and the petitions have the approval of at least
26 sixty-five percent of the school board of each affected district. If the
27 transfer of the parcel of land is from a Class I school district to one
28 or more Class II, III, IV, V, or VI school districts of which the parcel
29 is not a part or with which the parcel is not affiliated, any Class II,
30 III, IV, V, or VI school district of which the parcel is not a part or
31 with which the parcel is affiliated shall be deemed an affected district.

1 (b) The state committee shall not approve a change of boundaries
2 pursuant to this section relating to affiliation of school districts if
3 twenty percent or more of any tract of land under common ownership which
4 is proposing to affiliate is not contiguous to the high school district
5 with which affiliation is proposed unless (i) one or more resident
6 students of the tract of land under common ownership has attended the
7 high school program of the high school district within the immediately
8 preceding ten-year period or (ii) approval of the petition or plan would
9 allow siblings of such resident students to attend the same school as the
10 resident students attended.

11 (3)(a) Petitions proposing to create a new school district, to
12 change the boundary lines of existing school districts ~~that are not~~
13 ~~members of a learning community~~, to create an affiliated school system,
14 or to affiliate a Class I district in part and to join such district in
15 part with a Class VI district, any of which involves the transfer of more
16 than six hundred forty acres, shall, when signed by at least sixty
17 percent of the legal voters in each district affected, be submitted to
18 the state committee. In the case of a petition for affiliation or a
19 petition to affiliate in part and in part to join a Class VI district,
20 the state committee shall review the proposed affiliation subject to
21 sections 79-425 and 79-426. The state committee shall, within forty days
22 after receipt of the petition, hold one or more public hearings and
23 review and approve or disapprove such proposal.

24 (b) If there is a bond election to be held in conjunction with the
25 petition, the state committee shall hold the petition until the bond
26 election has been held, during which time names may be added to or
27 withdrawn from the petitions. The results of the bond election shall be
28 certified to the state committee.

29 (c) If the bond election held in conjunction with the petition is
30 unsuccessful, no further action on the petition is required. If the bond
31 election is successful, within fifteen days after receipt of the

1 certification of the bond election results, the state committee shall
2 approve the petition and notify the county clerk to effect the changes in
3 district boundary lines as set forth in the petitions.

4 (4) Any person adversely affected by the changes made by the state
5 committee may appeal to the district court of any county in which the
6 real estate or any part thereof involved in the dispute is located. If
7 the real estate is located in more than one county, the court in which an
8 appeal is first perfected shall obtain jurisdiction to the exclusion of
9 any subsequent appeal.

10 (5) A signing petitioner may withdraw his or her name from a
11 petition and a legal voter may add his or her name to a petition at any
12 time prior to the end of the period when the petition is held by the
13 state committee. Additions and withdrawals of signatures shall be by
14 notarized affidavit filed with the state committee.

15 Sec. 12. Section 79-473, Reissue Revised Statutes of Nebraska, is
16 amended to read:

17 79-473 (1) If the territory annexed by a change of boundaries of a
18 city or village which lies within a Class III school district as provided
19 in section 79-407 has been part of a Class IV or Class V school district
20 prior to such annexation, a merger of the annexed territory with the
21 Class III school district shall become effective only if the merger is
22 approved by a majority of the members of the school board of the Class IV
23 or V school district and a majority of the members of the school board of
24 the Class III school district within ninety days after the effective date
25 of the annexation ordinance, ~~except that a merger shall not become~~
26 ~~effective pursuant to this section if such merger involves a school~~
27 ~~district that is a member of a learning community.~~

28 (2) Notwithstanding subsection (1) of this section, when territory
29 which lies within a Class III school district, Class VI school district,
30 or Class I school district which is attached to a Class VI school
31 district or which does not lie within a Class IV or V school district is

1 annexed by a city or village pursuant to section 79-407, the affected
2 school board of the city or village school district and the affected
3 school board or boards serving the territory subject to the annexation
4 ordinance shall meet within thirty days after the effective date of the
5 annexation ordinance ~~if neither school district is a member of a learning~~
6 ~~community~~ and negotiate in good faith as to which school district shall
7 serve the annexed territory and the effective date of any transfer.
8 During the process of negotiation, the affected boards shall consider the
9 following criteria:

10 (a) The educational needs of the students in the affected school
11 districts;

12 (b) The economic impact upon the affected school districts;

13 (c) Any common interests between the annexed or platted area and the
14 affected school districts and the community which has zoning jurisdiction
15 over the area; and

16 (d) Community educational planning.

17 If no agreement has been reached within ninety days after the
18 effective date of the annexation ordinance, the territory shall transfer
19 to the school district of the annexing city or village ten days after the
20 expiration of such ninety-day period unless an affected school district
21 petitions the district court within the ten-day period and obtains an
22 order enjoining the transfer and requiring the boards of the affected
23 school districts to continue negotiation. The court shall issue the order
24 upon a finding that the affected board or boards have not negotiated in
25 good faith based on one or more of the criteria listed in this
26 subsection. The district court shall require no bond or other surety as a
27 condition for any preliminary injunctive relief. If no agreement is
28 reached after such order by the district court and additional
29 negotiations, the annexed territory shall become a part of the school
30 district of the annexing city or village.

31 (3) If, within the boundaries of the annexed territory, there exists

1 a Class VI school, the school building, facilities, and land owned by the
2 school district shall remain a part of the Class VI school district. If
3 the Class VI school district from which territory is being annexed wishes
4 to dispose of such school building, facilities, or land to any individual
5 or political subdivision, including a Class I school district, the
6 question of such disposition shall be placed on the ballot for the next
7 primary or general election. All legal voters of such Class VI school
8 district shall then vote on the question at such election. A simple
9 majority of the votes cast shall resolve the issue.

10 (4) Whenever an application for approval of a final plat or replat
11 is filed for territory which lies within the zoning jurisdiction of a
12 city of the first or second class and does not lie within the boundaries
13 of a Class IV or V school district, the boundaries of a school district
14 that is a member of a learning community, the boundaries of any county in
15 which a city of the metropolitan class is located, or the boundaries of
16 any county that has a contiguous border with a city of the metropolitan
17 class, the affected school board of the school district within the city
18 of the first or second class or its representative and the affected board
19 or boards serving the territory subject to the final plat or replat or
20 their representative shall meet within thirty days after such application
21 and negotiate in good faith as to which school district shall serve the
22 platted or replatted territory and the effective date of any transfer
23 based upon the criteria prescribed in subsection (2) of this section.

24 If no agreement has been reached prior to the approval of the final
25 plat or replat, the territory shall transfer to the school district of
26 the city of the first or second class upon the filing of the final plat
27 unless an affected school district petitions the district court within
28 ten days after approval of the final plat or replat and obtains an order
29 enjoining the transfer and requiring the affected boards to continue
30 negotiation. The court shall issue the order upon a finding that the
31 affected board or boards have not negotiated in good faith based on one

1 or more of the criteria listed in subsection (2) of this section. The
2 district court shall require no bond or other surety as a condition for
3 any preliminary injunctive relief. If no agreement is reached after such
4 order by the district court and additional negotiations, the platted or
5 replatted territory shall become a part of the school district of the
6 city of the first or second class.

7 For purposes of this subsection, plat and replat apply only to (a)
8 vacant land, (b) land under cultivation, or (c) any plat or replat of
9 land involving a substantive change in the size or configuration of any
10 lot or lots.

11 (5) Notwithstanding any other provisions of this section, all
12 negotiated agreements relative to boundaries or to real or personal
13 property of school districts reached by the affected school boards shall
14 be valid and binding, ~~except that such agreements shall not be binding on~~
15 ~~reorganization plans pursuant to the Learning Community Reorganization~~
16 ~~Act.~~

17 Sec. 13. Section 79-528, Reissue Revised Statutes of Nebraska, is
18 amended to read:

19 79-528 (1)(a) On or before July 20 in all school districts, the
20 superintendent shall file with the State Department of Education a report
21 showing the number of children from five through eighteen years of age
22 belonging to the school district according to the census taken as
23 provided in sections 79-524 and 79-578. On or before August 31, the
24 department shall issue to each learning community coordinating council a
25 report showing the number of children from five through eighteen years of
26 age belonging to the learning community based on the member school
27 districts according to the school district reports filed with the
28 department.

29 (b) Each Class I school district which is part of a Class VI school
30 district offering instruction (i) in grades kindergarten through five
31 shall report children from five through ten years of age, (ii) in grades

1 kindergarten through six shall report children from five through eleven
2 years of age, and (iii) in grades kindergarten through eight shall report
3 children from five through thirteen years of age.

4 (c) Each Class VI school district offering instruction (i) in grades
5 six through twelve shall report children who are eleven through eighteen
6 years of age, (ii) in grades seven through twelve shall report children
7 who are twelve through eighteen years of age, and (iii) in grades nine
8 through twelve children who are fourteen through eighteen years of age.

9 (d) Each Class I district which has affiliated in whole or in part
10 shall report children from five through thirteen years of age.

11 (e) Each Class II, III, IV, or V district shall report children who
12 are fourteen through eighteen years of age residing in Class I districts
13 or portions thereof which have affiliated with such district.

14 (f) The board of any district neglecting to take and report the
15 enumeration shall be liable to the school district for all school money
16 which such district may lose by such neglect.

17 (2) On or before June 30 the superintendent of each school district
18 shall file with the Commissioner of Education a report described as an
19 end-of-the-school-year annual statistical summary showing (a) the number
20 of children attending school during the year under five years of age, (b)
21 the length of time the school has been taught during the year by a
22 qualified teacher, (c) the length of time taught by each substitute
23 teacher, and (d) such other information as the Commissioner of Education
24 directs. On or before July 31, the commissioner shall issue to each
25 learning community coordinating council an end-of-the-school-year annual
26 statistical summary for the learning community based on the member school
27 districts according to the school district reports filed with the
28 commissioner.

29 (3)(a) On or before November 1 the superintendent of each school
30 district shall submit to the Commissioner of Education a report described
31 as the annual financial report showing (i) the amount of money received

1 from all sources during the year and the amount of money expended by the
2 school district during the year, (ii) the amount of bonded indebtedness,
3 (iii) such other information as shall be necessary to fulfill the
4 requirements of the Tax Equity and Educational Opportunities Support Act
5 and section 79-1114, and (iv) such other information as the Commissioner
6 of Education directs.

7 (b) On or before December 15, the commissioner shall issue to each
8 learning community coordinating council an annual financial report for
9 the learning community based on the member school districts according to
10 the annual financial reports filed with the commissioner, showing (i) the
11 aggregate amount of money received from all sources during the year for
12 all member school districts and the aggregate amount of money expended by
13 member school districts during the year, (ii) the aggregate amount of
14 bonded indebtedness for all member school districts, (iii) such other
15 aggregate information as shall be necessary to fulfill the requirements
16 of the Tax Equity and Educational Opportunities Support Act and section
17 79-1114 for all member school districts, and (iv) such other aggregate
18 information as the Commissioner of Education directs for all member
19 school districts.

20 (4)(a) On or before October 15 of each year, the superintendent of
21 each school district shall file with the commissioner the fall school
22 district membership report, which report shall include the number of
23 children from birth through twenty years of age enrolled in the district
24 on the last Friday in September of a given school year. The report shall
25 enumerate (i) students by grade level, (ii) school district levies and
26 total assessed valuation for the current fiscal year, and (iii) such
27 other information as the Commissioner of Education directs.

28 ~~(b) On or before October 15 of each year, each learning community~~
29 ~~coordinating council shall issue to the department a report which~~
30 ~~enumerates the learning community levies pursuant to subdivisions (2)(b)~~
31 ~~and (g) of section 77-3442 and total assessed valuation for the current~~

1 ~~fiscal year.~~

2 (b e) On or before November 15 of each year, the department shall
3 issue to each learning community coordinating council the fall learning
4 community membership report, which report shall include the aggregate
5 number of children from birth through twenty years of age enrolled in the
6 member school districts on the last Friday in September of a given school
7 year for all member school districts. The report shall enumerate (i) the
8 aggregate students by grade level for all member school districts, (ii)
9 school district levies and total assessed valuation for the current
10 fiscal year, and (iii) such other information as the Commissioner of
11 Education directs for all member school districts.

12 (c d) When any school district fails to submit its fall membership
13 report by November 1, the commissioner shall, after notice to the
14 district and an opportunity to be heard, direct that any state aid
15 granted pursuant to the Tax Equity and Educational Opportunities Support
16 Act be withheld until such time as the report is received by the
17 department. In addition, the commissioner shall direct the county
18 treasurer to withhold all school money belonging to the school district
19 until such time as the commissioner notifies the county treasurer of
20 receipt of such report. The county treasurer shall withhold such money.

21 Sec. 14. Section 79-611, Reissue Revised Statutes of Nebraska, is
22 amended to read:

23 79-611 (1) The school board of any school district shall provide
24 free transportation, partially provide free transportation, or pay an
25 allowance for transportation in lieu of free transportation as follows:

26 (a) When a student attends an elementary school in his or her own
27 district and lives more than four miles from the public schoolhouse in
28 such district as measured by the shortest route that must actually and
29 necessarily be traveled by motor vehicle to reach the student's
30 residence;

31 (b) When a student is required to attend an elementary school

1 outside of his or her own district and lives more than four miles from
2 such elementary school as measured by the shortest route that must
3 actually and necessarily be traveled by motor vehicle to reach the
4 student's residence;

5 (c) When a student attends a secondary school in his or her own
6 Class II or Class III school district and lives more than four miles from
7 the public schoolhouse as measured by the shortest route that must
8 actually and necessarily be traveled by motor vehicle to reach the
9 student's residence. This subdivision does not apply when one or more
10 Class I school districts merge with a Class VI school district to form a
11 new Class II or III school district on or after January 1, 1997; and

12 (d) When a student, other than a student in grades ten through
13 twelve in a Class V district, attends an elementary or junior high school
14 in his or her own Class V district and lives more than four miles from
15 the public schoolhouse in such district as measured by the shortest route
16 that must actually and necessarily be traveled by motor vehicle to reach
17 the student's residence.

18 (2)(a) The school board of any school district that is a member of a
19 learning community shall provide free transportation for a student who
20 resides in such learning community and attends school in such school
21 district if ~~(i) the student is transferring pursuant to the open~~
22 ~~enrollment provisions of section 79-2110, qualifies for free or reduced-~~
23 ~~price lunches, lives more than one mile from the school to which he or~~
24 ~~she transfers, and is not otherwise disqualified under subdivision (2)(c)~~
25 ~~of this section, (ii) the student is transferring pursuant to the open~~
26 ~~enrollment provisions of section 79-2110, is a student who contributes to~~
27 ~~the socioeconomic diversity of enrollment at the school building he or~~
28 ~~she attends, lives more than one mile from the school to which he or she~~
29 ~~transfers, and is not otherwise disqualified under subdivision (2)(c) of~~
30 ~~this section, (iii) the student is attending a focus school or program~~
31 and lives more than one mile from the school building housing the focus

1 school or program, ~~or (ii iv)~~ the student is attending a magnet school or
2 program and lives more than one mile from the magnet school or the school
3 housing the magnet program, and (iii) the student had previously enrolled
4 pursuant to the open enrollment provisions of section 79-2110 prior to
5 the operative date of this section and is currently enrolled pursuant to
6 the enrollment option program established in sections 79-232 to 72-436
7 until the student finishes.

8 ~~(b) For purposes of this subsection, student who contributes to the~~
9 ~~socioeconomic diversity of enrollment at the school building he or she~~
10 ~~attends has the definition found in section 79-2110. This subsection does~~
11 ~~not prohibit a school district that is a member of a learning community~~
12 ~~from providing transportation to any intradistrict student.~~

13 ~~(c) For any student who resides within a learning community and~~
14 ~~transfers to another school building pursuant to the open enrollment~~
15 ~~provisions of section 79-2110 and who had not been accepted for open~~
16 ~~enrollment into any school building within such district prior to~~
17 ~~September 6, 2013, the school board is exempt from the requirement of~~
18 ~~subdivision (2)(a) of this section if (i) the student is transferring to~~
19 ~~another school building within his or her home school district or (ii)~~
20 ~~the student is transferring to a school building in a school district~~
21 ~~that does not share a common border with his or her home school district.~~

22 (3) The transportation allowance which may be paid to the parent,
23 custodial parent, or guardian of students qualifying for free
24 transportation pursuant to subsection (1) or (2) of this section shall
25 equal two hundred eighty-five percent of the mileage rate provided in
26 section 81-1176, multiplied by each mile actually and necessarily
27 traveled, on each day of attendance, beyond which the one-way distance
28 from the residence of the student to the schoolhouse exceeds three miles.
29 Such transportation allowance does not apply to students residing in a
30 learning community who qualify for free or reduced-price lunches.

31 (4) Whenever students from more than one family travel to school in

1 the same vehicle, the transportation allowance prescribed in subsection
2 (3) of this section shall be payable as follows:

3 (a) To the parent, custodial parent, or guardian providing
4 transportation for students from other families, one hundred percent of
5 the amount prescribed in subsection (3) of this section for the
6 transportation of students of such parent's, custodial parent's, or
7 guardian's own family and an additional five percent for students of each
8 other family not to exceed a maximum of one hundred twenty-five percent
9 of the amount determined pursuant to subsection (3) of this section; and

10 (b) To the parent, custodial parent, or guardian not providing
11 transportation for students of other families, two hundred eighty-five
12 percent of the mileage rate provided in section 81-1176 multiplied by
13 each mile actually and necessarily traveled, on each day of attendance,
14 from the residence of the student to the pick-up point at which students
15 transfer to the vehicle of a parent, custodial parent, or guardian
16 described in subdivision (a) of this subsection.

17 (5) When a student who qualifies under the mileage requirements of
18 subsection (1) of this section lives more than three miles from the
19 location where the student must be picked up and dropped off in order to
20 access school-provided free transportation, as measured by the shortest
21 route that must actually and necessarily be traveled by motor vehicle
22 between his or her residence and such location, such school-provided
23 transportation shall be deemed partially provided free transportation.
24 School districts partially providing free transportation shall pay an
25 allowance to the student's parent or guardian equal to two hundred
26 eighty-five percent of the mileage rate provided in section 81-1176
27 multiplied by each mile actually and necessarily traveled, on each day of
28 attendance, beyond which the one-way distance from the residence of the
29 student to the location where the student must be picked up and dropped
30 off exceeds three miles.

31 (6) The board may authorize school-provided transportation to any

1 student who does not qualify under the mileage requirements of subsection
2 (1) of this section and may charge a fee to the parent or guardian of the
3 student for such service. An affiliated high school district may provide
4 free transportation or pay the allowance described in this section for
5 high school students residing in an affiliated Class I district. No
6 transportation payments shall be made to a family for mileage not
7 actually traveled by such family. The number of days the student has
8 attended school shall be reported monthly by the teacher to the board of
9 such public school district.

10 (7) No more than one allowance shall be made to a family
11 irrespective of the number of students in a family being transported to
12 school. If a family resides in a Class I district which is part of a
13 Class VI district and has students enrolled in any of the grades offered
14 by the Class I district and in any of the non-high-school grades offered
15 by the Class VI district, such family shall receive not more than one
16 allowance for the distance actually traveled when both districts are on
17 the same direct travel route with one district being located a greater
18 distance from the residence than the other. In such cases, the travel
19 allowance shall be prorated among the school districts involved.

20 (8) No student shall be exempt from school attendance on account of
21 distance from the public schoolhouse.

22 Sec. 15. Section 79-850, Reissue Revised Statutes of Nebraska, is
23 amended to read:

24 79-850 For purposes of sections 79-850 to 79-858:

25 (1) Reorganized school district means: (a) Any expanded or altered
26 school district, organized or altered by any of the means provided by
27 Nebraska law including, but not limited to, the methods provided by the
28 Reorganization of School Districts Act, ~~the Learning Community~~
29 ~~Reorganization Act~~, section 79-407, 79-413, or 79-473, or sections 79-415
30 to 79-417 or 79-452 to 79-455; or (b) any school district to be formed in
31 the future if the petition or plan for such reorganized school district

1 has been approved pursuant to any of the methods set forth in subdivision
2 (1)(a) of this section when the effective date of such reorganization is
3 prospective. For purposes of this subdivision, a petition or plan shall
4 be deemed approved when the last legal action has been taken, as
5 prescribed in section 79-413, 79-450, or 79-455, necessary to effect the
6 changes in boundaries as set forth in the petition or plan; and

7 (2) Unified system means a unified system as defined in section
8 79-4,108 recognized by the State Department of Education pursuant to
9 subsection (3) of such section, which employs certificated staff.

10 Sec. 16. Section 79-979, Reissue Revised Statutes of Nebraska, is
11 amended to read:

12 79-979 (1) Prior to September 13, 1997, in each Class V school
13 district in the State of Nebraska there is hereby established a separate
14 retirement system for all regular employees of such school district. Such
15 system shall be for the purpose of providing retirement benefits for all
16 regular employees of the school district as provided in the Class V
17 School Employees Retirement Act. The system shall be known as School
18 Employees' Retirement System of (corporate name of the school district as
19 described in section 79-405). All of its business shall be transacted,
20 all of its funds shall be invested, and all of its cash and securities
21 and other property shall be held in trust by such name for the purposes
22 set forth in the act. Such funds shall be kept separate from all other
23 funds of the school district and shall be used for no other purpose.

24 (2) Except as provided in subsection (3) of this section, if any new
25 Class V school districts are formed after September 13, 1997, such new
26 Class V school district shall elect to become or remain a part of the
27 retirement system established pursuant to the School Employees Retirement
28 Act.

29 ~~(3) Any new Class V school districts formed pursuant to the Learning~~
30 ~~Community Reorganization Act shall continue to participate in the~~
31 ~~retirement system established pursuant to the Class V School Employees~~

1 ~~Retirement Act if such new Class V school district was formed at least in~~
2 ~~part by territory that had been in a Class V school district that~~
3 ~~participated in the retirement system established pursuant to the Class V~~
4 ~~School Employees Retirement Act.~~

5 Sec. 17. Section 79-1001, Revised Statutes Supplement, 2015, is
6 amended to read:

7 79-1001 Sections 79-1001 to 79-1033 and section 22 of this act shall
8 be known and may be cited as the Tax Equity and Educational Opportunities
9 Support Act.

10 Sec. 18. Section 79-1007.11, Revised Statutes Supplement, 2015, is
11 amended to read:

12 79-1007.11 (1) Except as otherwise provided in this section, for
13 school fiscal years 2013-14 through 2015-16, each school district's
14 formula need shall equal the difference of the sum of the school
15 district's basic funding, poverty allowance, limited English proficiency
16 allowance, focus school and program allowance, summer school allowance,
17 special receipts allowance, transportation allowance, elementary site
18 allowance, instructional time allowance, teacher education allowance,
19 distance education and telecommunications allowance, averaging
20 adjustment, new learning community transportation adjustment, student
21 growth adjustment, any positive student growth adjustment correction, and
22 new school adjustment, minus the sum of the limited English proficiency
23 allowance correction, poverty allowance correction, and any negative
24 student growth adjustment correction.

25 (2) Except as otherwise provided in this section, for school fiscal
26 year 2016-17 ~~and each school fiscal year thereafter~~, each school
27 district's formula need shall equal the difference of the sum of the
28 school district's basic funding, poverty allowance, limited English
29 proficiency allowance, focus school and program allowance, summer school
30 allowance, special receipts allowance, transportation allowance,
31 elementary site allowance, best practices allowance, distance education

1 and telecommunications allowance, averaging adjustment, new learning
2 community transportation adjustment, student growth adjustment, any
3 positive student growth adjustment correction, and new school adjustment,
4 minus the sum of the limited English proficiency allowance correction,
5 poverty allowance correction, and any negative student growth adjustment
6 correction.

7 (3) Except as otherwise provided in this section, for school fiscal
8 year 2017-18 and each school fiscal year thereafter, each school
9 district's formula need shall equal the difference of the sum of the
10 school district's basic funding, poverty allowance, limited English
11 proficiency allowance, focus school and program allowance, summer school
12 allowance, special receipts allowance, transportation allowance,
13 elementary site allowance, best practices allowance, distance education
14 and telecommunications allowance, averaging adjustment, new learning
15 community transportation adjustment, student growth adjustment, any
16 positive student growth adjustment correction, new school adjustment, and
17 extreme poverty adjustment minus the sum of the limited English
18 proficiency allowance correction, poverty allowance correction, and any
19 negative student growth adjustment correction.

20 (4 ~~3~~) If the formula need calculated for a school district pursuant
21 to subsections (1) to (3) and ~~(2)~~ of this section is less than one
22 hundred percent of the formula need for such district for the school
23 fiscal year immediately preceding the school fiscal year for which aid is
24 being calculated, the formula need for such district shall equal one
25 hundred percent of the formula need for such district for the school
26 fiscal year immediately preceding the school fiscal year for which aid is
27 being calculated.

28 (5 ~~4~~) Except as provided in subsection (~~7~~ 6) of this section, if the
29 formula need calculated for a school district pursuant to subsections (1)
30 to (3) and ~~(2)~~ of this section is more than one hundred twelve percent of
31 the formula need for such district for the school fiscal year immediately

1 preceding the school fiscal year for which aid is being calculated, the
2 formula need for such district shall equal one hundred twelve percent of
3 the formula need for such district for the school fiscal year immediately
4 preceding the school fiscal year for which aid is being calculated,
5 except that the formula need shall not be reduced pursuant to this
6 subsection for any district receiving a student growth adjustment for the
7 school fiscal year for which aid is being calculated.

8 (6 ~~5~~) For purposes of subsections ~~(3)~~ and (4) and (5) of this
9 section, the formula need for the school fiscal year immediately
10 preceding the school fiscal year for which aid is being calculated shall
11 be the formula need used in the final calculation of aid pursuant to
12 section 79-1065 and for districts that were affected by a reorganization
13 with an effective date in the calendar year preceding the calendar year
14 in which aid is certified for the school fiscal year for which aid is
15 being calculated, the formula need for the school fiscal year immediately
16 preceding the school fiscal year for which aid is being calculated shall
17 be attributed to the affected school districts based on information
18 provided to the department by the school districts or proportionally
19 based on the adjusted valuation transferred if sufficient information has
20 not been provided to the department.

21 (7 ~~6~~) For state aid calculated for the first full school fiscal year
22 of a new learning community, if the formula need calculated for a member
23 school district pursuant to subsections (1) through ~~(4~~ ~~3~~) of this section
24 is less than the sum of the school district's state aid certified for the
25 school fiscal year immediately preceding the first full school fiscal
26 year of the learning community plus the school district's other actual
27 receipts included in local system formula resources pursuant to section
28 79-1018.01 for such school fiscal year plus the product of the school
29 district's general fund levy for such school fiscal year up to one dollar
30 and five cents multiplied by the school district's assessed valuation for
31 such school fiscal year, the formula need for such school district for

1 the school fiscal year for which aid is being calculated shall equal such
2 sum.

3 Sec. 19. Section 79-1007.18, Reissue Revised Statutes of Nebraska,
4 is amended to read:

5 79-1007.18 (1) The department shall calculate an averaging
6 adjustment for districts if the basic funding per formula student is less
7 than the averaging adjustment threshold and the general fund levy for the
8 school fiscal year immediately preceding the school fiscal year for which
9 aid is being calculated was at least one dollar per one hundred dollars
10 of taxable valuation. ~~For school districts that are members of a learning~~
11 ~~community, the general fund levy for purposes of this section includes~~
12 ~~both the common general fund levy and the school district general fund~~
13 ~~levy authorized pursuant to subdivisions (2)(b) and (2)(c) of section~~
14 ~~77-3442.~~ The averaging adjustment shall equal the district's formula
15 students multiplied by the percentage specified in this section for such
16 district of the difference between the averaging adjustment threshold
17 minus such district's basic funding per formula student.

18 (2)(a) For school fiscal years 2012-13 and 2013-14, the averaging
19 adjustment threshold shall equal the lesser of (i) the averaging
20 adjustment threshold for the school fiscal year immediately preceding the
21 school fiscal year for which aid is being calculated increased by the
22 basic allowable growth rate or (ii) the statewide average basic funding
23 per formula student for the school fiscal year for which aid is being
24 calculated.

25 (b) For school fiscal year 2014-15 and each school fiscal year
26 thereafter, the averaging adjustment threshold shall equal the aggregate
27 basic funding for all districts with nine hundred or more formula
28 students divided by the aggregate formula students for all districts with
29 nine hundred or more formula students for the school fiscal year for
30 which aid is being calculated.

31 (3) The percentage to be used in the calculation of an averaging

1 adjustment shall be based on the general fund levy for the school fiscal
2 year immediately preceding the school fiscal year for which aid is being
3 calculated.

4 (4) The percentages to be used in the calculation of averaging
5 adjustments shall be as follows:

6 (a) If such levy was at least one dollar per one hundred dollars of
7 taxable valuation but less than one dollar and one cent per one hundred
8 dollars of taxable valuation, the percentage shall be fifty percent;

9 (b) If such levy was at least one dollar and one cent per one
10 hundred dollars of taxable valuation but less than one dollar and two
11 cents per one hundred dollars of taxable valuation, the percentage shall
12 be sixty percent;

13 (c) If such levy was at least one dollar and two cents per one
14 hundred dollars of taxable valuation but less than one dollar and three
15 cents per one hundred dollars of taxable valuation, the percentage shall
16 be seventy percent;

17 (d) If such levy was at least one dollar and three cents per one
18 hundred dollars of taxable valuation but less than one dollar and four
19 cents per one hundred dollars of taxable valuation, the percentage shall
20 be eighty percent; and

21 (e) If such levy was at least one dollar and four cents per one
22 hundred dollars of taxable valuation, the percentage shall be ninety
23 percent.

24 Sec. 20. Section 79-1008.02, Reissue Revised Statutes of Nebraska,
25 is amended to read:

26 79-1008.02 A minimum levy adjustment shall be calculated and applied
27 to any local system that has a general fund common levy for the fiscal
28 year during which aid is certified that is less than the maximum levy,
29 for such fiscal year for such local system, allowed pursuant to
30 subdivision (2)(a) ~~or (b)~~ of section 77-3442 without a vote pursuant to
31 section 77-3444 ~~less five cents for learning communities and less ten~~

1 cents ~~for all other local systems~~. To calculate the minimum levy
2 adjustment, the department shall subtract the local system general fund
3 common levy for such fiscal year for such local system from the maximum
4 levy allowed pursuant to subdivision (2)(a) ~~or (b)~~ of section 77-3442
5 without a vote pursuant to section 77-3444 less ~~five cents for learning~~
6 ~~communities and less ten cents for all other local systems~~ and multiply
7 the result by the local system's adjusted valuation divided by one
8 hundred. The minimum levy adjustment shall be added to the formula
9 resources of the local system for the determination of equalization aid
10 pursuant to section 79-1008.01. If the minimum levy adjustment is greater
11 than or equal to the allocated income tax funds calculated pursuant to
12 section 79-1005.01, the local system shall not receive allocated income
13 tax funds. If the minimum levy adjustment is less than the allocated
14 income tax funds calculated pursuant to section 79-1005.01, the local
15 system shall receive allocated income tax funds in the amount of the
16 difference between the allocated income tax funds calculated pursuant to
17 section 79-1005.01 and the minimum levy adjustment. ~~This section does~~
18 ~~not apply to the calculation of aid for a local system containing a~~
19 ~~learning community for the first school fiscal year for which aid is~~
20 ~~calculated for such local system.~~

21 Sec. 21. Section 79-1022, Reissue Revised Statutes of Nebraska, is
22 amended to read:

23 79-1022 (1) On or before April 10, 2014, and on or before March 1 of
24 each year thereafter for each ensuing fiscal year, the department shall
25 determine the amounts to be distributed to each local system and each
26 district for the ensuing school fiscal year pursuant to the Tax Equity
27 and Educational Opportunities Support Act and shall certify the amounts
28 to the Director of Administrative Services, the Auditor of Public
29 Accounts, ~~each learning community~~, and each district. The amount to be
30 distributed to each district ~~that is not a member of a learning community~~
31 from the amount certified for a local system shall be proportional based

1 on the formula students attributed to each district in the local system.
2 ~~The amount to be distributed to each district that is a member of a~~
3 ~~learning community from the amount certified for the local system shall~~
4 ~~be proportional based on the formula needs calculated for each district~~
5 ~~in the local system.~~ On or before April 10, 2014, and on or before March
6 1 of each year thereafter for each ensuing fiscal year, the department
7 shall report the necessary funding level for the ensuing school fiscal
8 year to the Governor, the Appropriations Committee of the Legislature,
9 and the Education Committee of the Legislature. The report submitted to
10 the committees of the Legislature shall be submitted electronically.
11 Except as otherwise provided in this subsection, certified state aid
12 amounts, including adjustments pursuant to section 79-1065.02, shall be
13 shown as budgeted non-property-tax receipts and deducted prior to
14 calculating the property tax request in the district's general fund
15 budget statement as provided to the Auditor of Public Accounts pursuant
16 to section 79-1024.

17 (2) Except as provided in this subsection, subsection (8) of section
18 79-1016, and sections 79-1033 and 79-1065.02, the amounts certified
19 pursuant to subsection (1) of this section shall be distributed in ten as
20 nearly as possible equal payments on the last business day of each month
21 beginning in September of each ensuing school fiscal year and ending in
22 June of the following year, except that when a school district is to
23 receive a monthly payment of less than one thousand dollars, such payment
24 shall be one lump-sum payment on the last business day of December during
25 the ensuing school fiscal year.

26 Sec. 22. (1) For school fiscal year 2017-18 and each school fiscal
27 year thereafter, the department shall determine the extreme poverty
28 adjustment for each school district with poverty students comprising more
29 than forty percent of the formula students in the school district.

30 (2) The extreme poverty adjustment shall equal the sum of the
31 statewide average general fund operating expenditures per formula student

1 multiplied by 0.013 then multiplied by the number of poverty students.

2 Sec. 23. Section 79-1036, Reissue Revised Statutes of Nebraska, is
3 amended to read:

4 79-1036 (1) In making the apportionment under section 79-1035, the
5 Commissioner of Education shall distribute from the school fund for
6 school purposes, to any and all school districts ~~learning communities and~~
7 ~~school districts which are not members of a learning community,~~ in which
8 there are situated school lands which have not been sold and transferred
9 by deed or saline lands owned by the state, which lands are being used
10 for a public purpose, an amount in lieu of tax money that would be raised
11 by school district levies ~~and learning community common levies for which~~
12 ~~the proceeds are distributed to member school districts pursuant to~~
13 ~~sections 79-1073 and 79-1073.01~~ if such lands were taxable, to be
14 ascertained in accordance with subsection (2) of this section, except
15 that:

16 (a) For Class I districts or portions thereof which are affiliated
17 and in which there are situated school or saline lands, 38.6207 percent
18 of the in lieu of land tax money calculated pursuant to subsection (2) of
19 this section, based on the affiliated school system tax levy computed
20 pursuant to section 79-1077, shall be distributed to the affiliated high
21 school district and the remainder shall be distributed to the Class I
22 district;

23 (b) For Class I districts or portions thereof which are part of a
24 Class VI district which offers instruction in grades nine through twelve
25 and in which there are situated school or saline lands, 38.6207 percent
26 of the in lieu of land tax money calculated pursuant to subsection (2) of
27 this section, based on the Class VI school system levy computed pursuant
28 to section 79-1078, shall be distributed to the Class VI district and the
29 remainder shall be distributed to the Class I district;

30 (c) For Class I districts or portions thereof which are part of a
31 Class VI district which offers instruction in grades seven through twelve

1 and in which there are situated school or saline lands, 55.1724 percent
2 of the in lieu of land tax money calculated pursuant to subsection (2) of
3 this section, based on the Class VI school system levy computed pursuant
4 to section 79-1078, shall be distributed to the Class VI district and the
5 remainder shall be distributed to the Class I district; and

6 (d) For Class I districts or portions thereof which are part of a
7 Class VI district which offers instruction in grades six through twelve
8 and in which there are situated school or saline lands, 62.0690 percent
9 of the in lieu of land tax money calculated pursuant to subsection (2) of
10 this section, based on the Class VI school system levy computed pursuant
11 to section 79-1078, shall be distributed to the Class VI district and the
12 remainder shall be distributed to the Class I district.

13 (2) The county assessor shall certify to the Commissioner of
14 Education the tax levies of each school district ~~and learning community~~
15 in which school land or saline land is located and the last appraised
16 value of such school land, which value shall be the same percentage of
17 the appraised value as the percentage of the assessed value is of market
18 value in subsection (2) of section 77-201 for the purpose of applying the
19 applicable tax levies for each district ~~and learning community~~ in
20 determining the distribution to the districts of such amounts. The school
21 board of any school district ~~and the learning community coordinating~~
22 ~~council of any learning community~~ in which there is located any leased or
23 undeeded school land or saline land subject to this section may appeal to
24 the Board of Educational Lands and Funds for a reappraisalment of such
25 school land if such school board ~~or learning community coordinating~~
26 ~~council~~ deems the land not appraised in proportion to the value of
27 adjoining land of the same or similar value. The Board of Educational
28 Lands and Funds shall proceed to investigate the facts involved in such
29 appeal and, if the contention of the school board ~~or learning community~~
30 ~~coordinating council~~ is correct, make the proper reappraisalment. The
31 value calculation in this subsection shall be used by the Commissioner of

1 Education for making distributions in each school fiscal year.

2 Sec. 24. Section 79-1041, Reissue Revised Statutes of Nebraska, is
3 amended to read:

4 79-1041 ~~Each county treasurer of a county with territory in a~~
5 ~~learning community shall distribute any funds collected by such county~~
6 ~~treasurer from the common general fund levy and the common building fund~~
7 ~~levy of such learning community to each member school district pursuant~~
8 ~~to sections 79-1073 and 79-1073.01 at least once each month.~~

9 Each county treasurer shall, upon request of a majority of the
10 members of the school board or board of education in any school district,
11 at least once each month distribute to the district any funds collected
12 by such county treasurer for school purposes.

13 Sec. 25. Section 79-10,120, Reissue Revised Statutes of Nebraska, is
14 amended to read:

15 79-10,120 The school board or board of education of a Class II, III,
16 IV, V, or VI school district may establish a special fund for purposes of
17 acquiring sites for school buildings or teacherages, purchasing existing
18 buildings for use as school buildings or teacherages, including the sites
19 upon which such buildings are located, and the erection, alteration,
20 equipping, and furnishing of school buildings or teacherages and
21 additions to school buildings for elementary and high school grades and
22 for no other purpose. ~~The~~ For school districts that are not members of
23 ~~learning communities,~~ the fund shall be established from the proceeds of
24 an annual levy, to be determined by the board, of not to exceed fourteen
25 cents on each one hundred dollars upon the taxable value of all taxable
26 property in the district which shall be in addition to any other taxes
27 authorized to be levied for school purposes. Such tax shall be levied and
28 collected as are other taxes for school purposes. ~~For school districts~~
29 ~~that are members of a learning community,~~ such fund shall be established
30 ~~from the proceeds of the learning community special building funds levy~~
31 ~~directed to the school district for such purpose pursuant to subdivision~~

1 ~~(2)(g) of section 77-3442 and the proceeds of any school district special~~
2 ~~building fund levy pursuant to subdivision (2)(c) of section 77-3442.~~

3 Sec. 26. Section 79-10,126, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 79-10,126 A Class V school district ~~that is not a member of a~~
6 ~~learning community~~ shall establish (1) for the general operation of the
7 schools, such fund as will result from an annual levy of such rate of tax
8 upon the taxable value of all the taxable property in such school
9 district as the board of education determines to be necessary for such
10 purpose, (2) a fund resulting from an annual amount of tax to be
11 determined by the board of education of not to exceed fourteen cents on
12 each one hundred dollars upon the taxable value of all the taxable
13 property in the district for the purpose of acquiring sites of school
14 buildings and the erection, alteration, equipping, and furnishing of
15 school buildings and additions to school buildings, which tax levy shall
16 be used for no other purposes, and (3) a further fund resulting from an
17 annual amount of tax to be determined by the board of education to pay
18 interest on and retiring, funding, or servicing of bonded indebtedness of
19 the district.

20 Sec. 27. Section 79-1241.03, Reissue Revised Statutes of Nebraska,
21 is amended to read:

22 79-1241.03 (1) Two percent of the funds appropriated for core
23 services and technology infrastructure shall be transferred to the
24 Educational Service Unit Coordinating Council. The remainder of such
25 funds shall be distributed pursuant to subsections (2) through (6) of
26 this section.

27 (2)(a) The distance education and telecommunications allowance for
28 each educational service unit shall equal eighty-five percent of the
29 difference of the costs for telecommunications services, for access to
30 data transmission networks that transmit data to and from the educational
31 service unit, and for the transmission of data on such networks paid by

1 the educational service unit as reported on the annual financial report
2 for the most recently available complete data year minus the receipts
3 from the federal Universal Service Fund pursuant to 47 U.S.C. 254, as
4 such section existed on January 1, 2007, for the educational service unit
5 as reported on the annual financial report for the most recently
6 available complete data year and minus any receipts from school districts
7 or other educational entities for payment of such costs as reported on
8 the annual financial report of the educational service unit.

9 (b) The base allocation of each educational service unit shall equal
10 two and one-half percent of the funds appropriated for distribution
11 pursuant to this section.

12 (c) The satellite office allocation for each educational service
13 unit shall equal one percent of the funds appropriated for distribution
14 pursuant to this section for each office of the educational service unit,
15 except the educational service unit headquarters, up to the maximum
16 number of satellite offices. The maximum number of satellite offices used
17 for the calculation of the satellite office allocation for any
18 educational service unit shall equal the difference of the ratio of the
19 number of square miles within the boundaries of the educational service
20 unit divided by four thousand minus one with the result rounded to the
21 closest whole number.

22 (d) The statewide adjusted valuation shall equal the total adjusted
23 valuation for all member districts of educational service units pursuant
24 to section 79-1016 used for the calculation of state aid for school
25 districts pursuant to the Tax Equity and Educational Opportunities
26 Support Act for the school fiscal year for which the distribution is
27 being calculated pursuant to this section.

28 (e) The adjusted valuation for each educational service unit shall
29 equal the total adjusted valuation of the member school districts
30 pursuant to section 79-1016 used for the calculation of state aid for
31 school districts pursuant to the act for the school fiscal year for which

1 the distribution is being calculated pursuant to this section, except
2 that, for school fiscal years prior to school fiscal year 2017-18, such
3 adjusted valuation for member school districts that are also member
4 districts of a learning community shall be ten percent. For school fiscal
5 years prior to school fiscal year 2017-18, the ~~reduced by fifty percent~~
6 ~~for school fiscal years 2008-09 and 2009-10,~~ thirty percent for school
7 ~~fiscal year 2010-11,~~ and ten percent for each school fiscal year
8 thereafter. The adjusted valuation for each learning community shall
9 equal fifty percent, for school fiscal years 2008-09 and 2009-10, thirty
10 percent, for school fiscal year 2010-11, and ten percent, for each school
11 fiscal year thereafter, of the total adjusted valuation of the member
12 school districts pursuant to section 79-1016 used for the calculation of
13 state aid for school districts pursuant to the act for the school fiscal
14 year for which the distribution is being calculated pursuant to this
15 section.

16 (f) The local effort rate shall equal \$0.0135 per one hundred
17 dollars of adjusted valuation.

18 (g) The statewide student allocation shall equal the difference of
19 the sum of the amount appropriated for distribution pursuant to this
20 section plus the product of the statewide adjusted valuation multiplied
21 by the local effort rate minus the distance education and
22 telecommunications allowance, base allocation, and satellite office
23 allocation for all educational service units and minus any adjustments
24 required by subsection (5) of this section.

25 (h) The sparsity adjustment for each educational service unit and,
26 for school fiscal years prior to school fiscal year 2017-18, learning
27 community shall equal the sum of one plus one-tenth of the ratio of the
28 square miles within the boundaries of the educational service unit
29 divided by the fall membership of the member school districts for the
30 school fiscal year immediately preceding the school fiscal year for which
31 the distribution is being calculated pursuant to this section.

1 (i) The adjusted students for each multidistrict educational service
2 unit shall equal the fall membership of member school districts for the
3 school fiscal year immediately preceding the school fiscal year for which
4 aid is being calculated, except that for school fiscal years prior to
5 school fiscal year 2017-18, the adjusted students shall equal ~~of the~~
6 ~~member school districts that will not be members of a learning community~~
7 ~~and~~ ninety percent of the fall membership ~~for such school fiscal year~~ of
8 the member school districts that will be members of a learning community
9 for such school fiscal year pursuant to this section multiplied by the
10 sparsity adjustment for the educational service unit. The adjusted
11 students for each single-district educational service unit shall equal
12 ninety-five percent of the fall membership for the school fiscal year
13 immediately preceding the school fiscal year for which aid is being
14 calculated, except that for school fiscal years prior to school fiscal
15 year 2017-18, if the member school district will not be a member of a
16 learning community, ~~and~~ eighty-five percent of the fall membership for
17 such school fiscal year ~~if the member school district will be a member of~~
18 ~~a learning community pursuant to this section,~~ multiplied by the sparsity
19 adjustment for the educational service unit. For school fiscal years
20 prior to school fiscal year 2017-18, the ~~The~~ adjusted students for each
21 learning community shall equal ten percent of the fall membership for
22 such school fiscal year of the member school districts multiplied by the
23 sparsity adjustment for the learning community.

24 (j) The per student allocation shall equal the statewide student
25 allocation divided by the total adjusted students for all educational
26 service units and, for school fiscal years prior to school fiscal year
27 2017-18, learning communities.

28 (k) The student allocation for each educational service unit and,
29 for school fiscal years prior to school fiscal year 2017-18, learning
30 community shall equal the per student allocation multiplied by the
31 adjusted students for the educational service unit or learning community.

1 (1) The needs for each educational service unit shall equal the sum
2 of the distance education and telecommunications allowance, base
3 allocation, satellite office allocation, and student allocation for the
4 educational service unit and, for school fiscal years prior to school
5 fiscal year 2017-18, the needs for each learning community shall equal
6 the student allocation for the learning community.

7 (m) The distribution of core services and technology infrastructure
8 funds for each educational service unit and, for school fiscal years
9 prior to school fiscal year 2017-18, learning community shall equal the
10 needs for each educational service unit or learning community minus the
11 product of the adjusted valuation for the educational service unit or
12 learning community multiplied by the local effort rate.

13 (3) If an educational service unit is the result of a merger or
14 received new member school districts from another educational service
15 unit, the educational service unit shall be considered a new educational
16 service unit for purposes of this section. For each new educational
17 service unit, the needs minus the distance education and
18 telecommunications allowance for such new educational service unit shall,
19 for each of the three fiscal years following the fiscal year in which the
20 merger takes place or the new member school districts are received, equal
21 an amount not less than the needs minus the distance education and
22 telecommunications allowance for the portions of the educational service
23 units transferred to the new educational service unit for the fiscal year
24 immediately preceding the merger or receipt of new member school
25 districts, except that if the total amount available to be distributed
26 pursuant to subsections (2) through (6) of this section for the year for
27 which needs are being calculated is less than the total amount
28 distributed pursuant to such subsections for the fiscal year immediately
29 preceding the merger or receipt of new member school districts, the
30 minimum needs minus the distance education and telecommunications
31 allowance for each educational service unit pursuant to this subsection

1 shall be reduced by a percentage equal to the ratio of such difference
2 divided by the total amount distributed pursuant to subsections (2)
3 through (6) of this section for the fiscal year immediately preceding the
4 merger or receipt of new member school districts. The needs minus the
5 distance education and telecommunications allowance for the portions of
6 educational service units transferred to the new educational service unit
7 for the fiscal year immediately preceding a merger or receipt of new
8 member school districts shall equal the needs minus the distance
9 education and telecommunications allowance calculated for such fiscal
10 year pursuant to subsections (2) through (6) of this section for any
11 educational service unit affected by the merger or the transfer of school
12 districts multiplied by a ratio equal to the valuation that was
13 transferred to the new educational service unit for which the minimum is
14 being calculated divided by the total valuation of the educational
15 service unit transferring the territory.

16 (4) For fiscal years 2010-11 through 2013-14, each educational
17 service unit shall have needs minus the distance education and
18 telecommunications allowance equal to an amount not less than ninety-five
19 percent of the needs minus the distance education and telecommunications
20 allowance for the immediately preceding fiscal year, except that if the
21 total amount available to be distributed pursuant to subsections (2)
22 through (6) of this section for the year for which needs are being
23 calculated is less than the total amount distributed pursuant to such
24 subsections for the immediately preceding fiscal year, the minimum needs
25 minus the distance education and telecommunications allowance for each
26 educational service unit pursuant to this subsection shall be reduced by
27 a percentage equal to the ratio of such difference divided by the total
28 amount distributed pursuant to subsections (2) through (6) of this
29 section.

30 (5) If the minimum needs minus the distance education and
31 telecommunications allowance pursuant to subsection (3) or (4) of this

1 section for any educational service unit exceeds the amount that would
2 otherwise be calculated for such educational service unit pursuant to
3 subsection (2) of this section, the statewide student allocation shall be
4 reduced such that the total amount to be distributed pursuant to this
5 section equals the appropriation for core services and technology
6 infrastructure funds and no educational service unit has needs minus the
7 distance education and telecommunications allowance less than the greater
8 of any minimum amounts calculated for such educational service unit
9 pursuant to subsections (3) and (4) of this section.

10 (6) The State Department of Education shall certify the distribution
11 of core services and technology infrastructure funds pursuant to
12 subsections (2) through (6) of this section to each educational service
13 unit and, for school fiscal years prior to school fiscal year 2017-18,
14 learning community on or before July 1 of each year for the following
15 school fiscal year. Except as otherwise provided in this subsection, any
16 funds appropriated for distribution pursuant to this section shall be
17 distributed in ten as nearly as possible equal payments on the first
18 business day of each month beginning in September of each school fiscal
19 year and ending in June. ~~Funds to be distributed to a learning community~~
20 ~~in school fiscal year 2010-11 shall be distributed in ten payments on the~~
21 ~~first business day of each month beginning in September 2010 and ending~~
22 ~~in June 2011, with each of the first five payments equal as nearly as~~
23 ~~possible to seventeen percent of the amount to be distributed and with~~
24 ~~each of the last five payments equal as nearly as possible to three~~
25 ~~percent of the amount to be distributed.~~ Funds distributed to educational
26 service units pursuant to this section shall be used for core services
27 and technology infrastructure with the approval of representatives of
28 two-thirds of the member school districts of the educational service
29 unit, representing a majority of the adjusted students in the member
30 school districts used in calculations pursuant to this section for such
31 funds. The valuation of individual school districts shall not be

1 considered in the utilization of such core services or technology
2 infrastructure funds by member school districts for funds received after
3 July 1, 2010. For school fiscal years prior to school fiscal year
4 2017-18, funds ~~Funds distributed to learning communities on or before~~
5 ~~January 15, 2011, shall be used for learning community purposes with the~~
6 ~~approval of the learning community coordinating council.~~ Funds
7 distributed to learning communities after ~~January 15, 2011,~~ shall be used
8 for evaluation and research pursuant to section 79-2104.02 with the
9 approval of the learning community coordinating council.

10 (7) For purposes of this section, the determination of whether or
11 not a school district will be a member of an educational service unit or
12 a learning community shall be based on the information available May 1
13 for the following school fiscal year.

14 (8) It is the intent of the Legislature that:

15 (a) Funding for core services and technology infrastructure for each
16 educational service unit consist of both amounts received pursuant to
17 this section and an amount greater than or equal to the product of the
18 adjusted valuation for the educational service unit multiplied by the
19 local effort rate; and

20 (b) Each multidistrict educational service unit use an amount equal
21 to at least five percent of such funding for core services and technology
22 infrastructure for cooperative projects between member school districts
23 and that each such educational service unit use an amount equal to at
24 least five percent of such funding for core services and technology
25 infrastructure for statewide projects managed by the Educational Service
26 Unit Coordinating Council.

27 Sec. 28. Section 79-2104, Reissue Revised Statutes of Nebraska, is
28 amended to read:

29 79-2104 A learning community coordinating council shall have the
30 authority to:

31 ~~(1) Levy a common levy for the general funds of member school~~

1 ~~districts pursuant to sections 77-3442 and 79-1073;~~

2 ~~(2) Levy a common levy for the special building funds of member~~
3 ~~school districts pursuant to sections 77-3442 and 79-1073.01;~~

4 ~~(1 3) Levy for elementary learning center facility leases, for~~
5 ~~remodeling of leased elementary learning center facilities, and for up to~~
6 ~~fifty percent of the estimated cost for focus school or program capital~~
7 ~~projects approved by the learning community coordinating council pursuant~~
8 ~~to subdivision (2)(d) (2)(h) of section 77-3442 and section 79-2111, for~~
9 ~~evaluation and research pursuant to section 79-2104.02 with the approval~~
10 ~~of the learning community coordinating council, for early childhood~~
11 ~~education programs for children in poverty, for elementary learning~~
12 ~~center employees, for contracts with other entities or individuals who~~
13 ~~are not employees of the learning community for elementary learning~~
14 ~~center programs and services, and for pilot projects, except that no more~~
15 ~~than ten percent of such levy may be used for elementary learning center~~
16 ~~employees;~~

17 ~~(4) Levy for early childhood education programs for children in~~
18 ~~poverty, for elementary learning center employees, for contracts with~~
19 ~~other entities or individuals who are not employees of the learning~~
20 ~~community for elementary learning center programs and services, and for~~
21 ~~pilot projects pursuant to subdivision (2)(i) of section 77-3442, except~~
22 ~~that not more than ten percent of such levy may be used for elementary~~
23 ~~learning center employees;~~

24 ~~(2 5) Collect, analyze, and report data and information, including,~~
25 ~~but not limited to, information provided by a school district pursuant to~~
26 ~~subsection (5) of section 79-201;~~

27 ~~(3 6) Approve focus schools and focus programs to be operated by~~
28 ~~member school districts;~~

29 ~~(4 7) Adopt, approve, and implement a diversity plan which shall~~
30 ~~include open enrollment and may include focus schools, focus programs,~~
31 ~~magnet schools, and pathways pursuant to section 79-2110;~~

1 ~~(8) Administer the open enrollment provisions in section 79-2110 for~~
2 ~~the learning community as part of a diversity plan developed by the~~
3 ~~council to provide educational opportunities which will result in~~
4 ~~increased diversity in schools across the learning community;~~

5 (5 9) Annually conduct school fairs to provide students and parents
6 the opportunity to explore the educational opportunities available at
7 each school in the learning community and develop other methods for
8 encouraging access to such information and promotional materials;

9 ~~(10) Develop and approve reorganization plans for submission~~
10 ~~pursuant to the Learning Community Reorganization Act;~~

11 (6 11) Establish and administer elementary learning centers through
12 achievement subcouncils pursuant to sections 79-2112 to 79-2114;

13 (7 12) Administer the learning community funds distributed to the
14 learning community pursuant to section 79-2111;

15 (8 13) Approve or disapprove poverty plans and limited English
16 proficiency plans for member school districts through achievement
17 subcouncils established under section 79-2117;

18 (9 14) Establish a procedure for receiving community input and
19 complaints regarding the learning community;

20 (10 15) Establish a procedure to assist parents, citizens, and
21 member school districts in accessing an approved center pursuant to the
22 Dispute Resolution Act to resolve disputes related to issues that are a
23 direct responsibility of the learning community and involve involving
24 member school districts or the learning community. Such procedure may
25 include payment by the learning community for some mediation services;

26 (11 16) Establish and administer pilot projects related to enhancing
27 the academic achievement of elementary students, particularly students
28 who face challenges in the educational environment due to factors such as
29 poverty, limited English skills, and mobility;

30 (12 17) Provide funding to public or private entities engaged in the
31 juvenile justice system providing prefilng and diversion programming

1 designed to reduce excessive absenteeism and unnecessary involvement with
2 the juvenile justice system;~~and~~

3 ~~(13 18)~~ Hold public hearings at its discretion in response to issues
4 raised by residents regarding the learning community, a member school
5 district, and academic achievement; and -

6 (14) Employ or contract for and evaluate the performance of a chief
7 executive officer.

8 Sec. 29. Section 79-2104.01, Reissue Revised Statutes of Nebraska,
9 is amended to read:

10 79-2104.01 Each learning community coordinating council shall have
11 an advisory committee composed of the superintendent from each member
12 school district or his or her representative. The advisory committee
13 shall:

14 ~~(1) Review issues related to open enrollment;~~

15 (1 2) Review proposals for focus programs, focus schools, magnet
16 schools, and pathways;

17 (2 3) Provide recommendations for improving academic achievement
18 across the learning community;

19 (3 4) Provide recommendations for improving the learning community's
20 diversity plan;

21 (4 5) Submit a plan to the learning community coordinating council
22 providing for the implementation and administration of early childhood
23 education programs for children in poverty; and

24 (5 6) Provide input to the learning community coordinating council
25 on other issues as requested.

26 Sec. 30. Section 79-2104.02, Reissue Revised Statutes of Nebraska,
27 is amended to read:

28 79-2104.02 Each learning community coordinating council shall use
29 any funds received ~~after January 15, 2011,~~ pursuant to the levy
30 authorized in subdivision (2)(d) of section 77-3442 and pursuant to
31 section 79-1241.03 for evaluation and research pursuant to plans

1 developed by the learning community coordinating council with assistance
2 from the Educational Service Unit Coordinating Council and adjusted on an
3 ongoing basis. The evaluation shall be conducted by one or more other
4 entities or individuals who are not employees of the learning community
5 and shall measure progress toward the goals and objectives of the
6 learning community, which goals and objectives shall include reduction of
7 excessive absenteeism of students in the member school districts of the
8 learning community and closing academic achievement gaps based on
9 socioeconomic status, and the effectiveness of the approaches used by the
10 learning community or pilot project to reach such goals and objectives.
11 Any research conducted pursuant to this section shall also be related to
12 such goals and objectives. After the first full year of operation, each
13 learning community shall report evaluation and research results
14 electronically to the Education Committee of the Legislature on or before
15 January 1 of each year.

16 Sec. 31. Section 79-2104.03, Reissue Revised Statutes of Nebraska,
17 is amended to read:

18 79-2104.03 The advisory committee described in section 79-2104.01
19 shall submit a plan as provided in subdivision (4 5) of section
20 79-2104.01 to the learning community coordinating council for any early
21 childhood education programs for children in poverty and the services to
22 be provided by such programs. In developing the plan, the advisory
23 committee shall seek input from member school districts and community
24 resources and collaborate with such resources in order to maximize the
25 available opportunities and resources for such programs. The advisory
26 committee may, as part of such plan, recommend services to be provided
27 through contract with, or grants to, school districts to provide or
28 contract for some or all of the services. The advisory committee shall
29 take special efforts to establish early childhood education programs for
30 children in poverty so that such programs are readily available and
31 accessible to children and families located in areas with a high

1 concentration of poverty.

2 Sec. 32. Section 79-2110, Revised Statutes Supplement, 2015, is
3 amended to read:

4 79-2110 ~~(1)(a) Each diversity plan shall provide for open~~
5 ~~enrollment in all school buildings in the learning community, subject to~~
6 ~~specific limitations necessary to bring about diverse enrollments in each~~
7 ~~school building in the learning community. Such limitations, for school~~
8 ~~buildings other than focus schools and programs other than focus~~
9 ~~programs, shall include giving preference at each school building first~~
10 ~~to siblings of students who will be enrolled as continuing students in~~
11 ~~such school building or program for the first school year for which~~
12 ~~enrollment is sought in such school building and then to students that~~
13 ~~contribute to the socioeconomic diversity of enrollment at each building~~
14 ~~and may include establishing zone limitations in which students may~~
15 ~~access several schools other than their home attendance area school.~~
16 ~~Notwithstanding the limitations necessary to bring about diversity, open~~
17 ~~enrollment shall include providing access to students who do not~~
18 ~~contribute to the socioeconomic diversity of a school building, if,~~
19 ~~subsequent to the open enrollment selection process that is subject to~~
20 ~~limitations necessary to bring about diverse enrollments, capacity~~
21 ~~remains in a school building. In such a case, students who have applied~~
22 ~~to attend such school building shall be selected to attend such school~~
23 ~~building on a random basis up to the remaining capacity of such building.~~
24 ~~A student who has otherwise been disqualified from the school building~~
25 ~~pursuant to the school district's code of conduct or related school~~
26 ~~discipline rules shall not be eligible for open enrollment pursuant to~~
27 ~~this section. Any student who attended a particular school building in~~
28 ~~the prior school year and who is seeking education in the grades offered~~
29 ~~in such school building shall be allowed to continue attending such~~
30 ~~school building as a continuing student.~~

31 ~~(b) To facilitate the open enrollment provisions of this subsection,~~

1 ~~each school year each member school district in a learning community~~
2 ~~shall establish a maximum capacity for each school building under such~~
3 ~~district's control pursuant to procedures and criteria established by the~~
4 ~~learning community coordinating council. Each member school district~~
5 ~~shall also establish attendance areas for each school building under the~~
6 ~~district's control, except that the school board shall not establish~~
7 ~~attendance areas for focus schools or focus programs. The attendance~~
8 ~~areas shall be established such that all of the territory of the school~~
9 ~~district is within an attendance area for each grade. Students residing~~
10 ~~in a school district shall be allowed to attend a school building in such~~
11 ~~school district.~~

12 ~~(c) For purposes of this section and sections 79-238 and 79-611,~~
13 ~~student who contributes to the socioeconomic diversity of enrollment~~
14 ~~means (i) a student who does not qualify for free or reduced price~~
15 ~~lunches when, based upon the certification pursuant to section 79-2120,~~
16 ~~the school building the student will attend either has more students~~
17 ~~qualifying for free or reduced price lunches than the average percentage~~
18 ~~of such students in all school buildings in the learning community or~~
19 ~~provides free meals to all students pursuant to the community eligibility~~
20 ~~provision or (ii) a student who qualifies for free or reduced price~~
21 ~~lunches based on information collected from parents and guardians when,~~
22 ~~based upon the certification pursuant to section 79-2120, the school~~
23 ~~building the student will attend has fewer students qualifying for free~~
24 ~~or reduced-price lunches than the average percentage of such students in~~
25 ~~all school buildings in the learning community and does not provide free~~
26 ~~meals to all students pursuant to the community eligibility provision.~~

27 ~~(2)(a) On or before March 15 of each year beginning with the year~~
28 ~~immediately following the year in which the initial coordinating council~~
29 ~~for the learning community takes office, a parent or guardian of a~~
30 ~~student residing in a member school district in a learning community may~~
31 ~~submit an application to any school district in the learning community on~~

1 ~~behalf of a student who is applying to attend a school building for the~~
2 ~~following school year that is not in an attendance area where the~~
3 ~~applicant resides or a focus school, focus program, or magnet school as~~
4 ~~such terms are defined in section 79-769. On or before April 1 of each~~
5 ~~year beginning with the year immediately following the year in which the~~
6 ~~initial coordinating council for the learning community takes office, the~~
7 ~~school district shall accept or reject such applications based on the~~
8 ~~capacity of the school building, the eligibility of the applicant for the~~
9 ~~school building or program, the number of such applicants that will be~~
10 ~~accepted for a given school building, and whether or not the applicant~~
11 ~~contributes to the socioeconomic diversity of the school or program to~~
12 ~~which he or she has applied and for which he or she is eligible. The~~
13 ~~school district shall notify such parent or guardian in writing of the~~
14 ~~acceptance or rejection.~~

15 ~~(b) A parent or guardian may provide information on the application~~
16 ~~regarding the applicant's potential qualification for free or reduced-~~
17 ~~price lunches. Any such information provided shall be subject to~~
18 ~~verification and shall only be used for the purposes of this section.~~
19 ~~Nothing in this section requires a parent or guardian to provide such~~
20 ~~information. Determinations about an applicant's qualification for free~~
21 ~~or reduced-price lunches for purposes of this section shall be based on~~
22 ~~any verified information provided on the application. If no such~~
23 ~~information is provided the student shall be presumed not to qualify for~~
24 ~~free or reduced-price lunches for the purposes of this section.~~

25 ~~(c) A student may not apply to attend a school building in the~~
26 ~~learning community for any grades that are offered by another school~~
27 ~~building for which the student had previously applied and been accepted~~
28 ~~pursuant to this section, absent a hardship exception as established by~~
29 ~~the individual school district. On or before September 1 of each year~~
30 ~~beginning with the year immediately following the year in which the~~
31 ~~initial coordinating council for the learning community takes office,~~

~~1 each school district shall provide to the learning community coordinating
2 council a complete and accurate report of all applications received,
3 including the number of students who applied at each grade level at each
4 building, the number of students accepted at each grade level at each
5 building, the number of such students that contributed to the
6 socioeconomic diversity that applied and were accepted, the number of
7 applicants denied and the rationales for denial, and other such
8 information as requested by the learning community coordinating council.~~

9 ~~(3)~~ Each diversity plan developed pursuant to section 79-2104 may
10 also include establishment of one or more focus schools or focus programs
11 and the involvement of every member school district in one or more
12 pathways across member school districts. Enrollment in each focus school
13 or focus program shall be designed to reflect the socioeconomic diversity
14 of the learning community as a whole. School district selection of
15 students for focus schools or focus programs shall be on a random basis
16 from two pools of applicants, those who qualify for free and reduced-
17 price lunches and those who do not qualify for free and reduced-price
18 lunches. The percentage of students selected for focus schools from the
19 pool of applicants who qualify for free and reduced-price lunches shall
20 be as nearly equal as possible to the percentage of the student body of
21 the learning community who qualify for free and reduced-price lunches.
22 The percentage of students selected for focus schools from the pool of
23 applicants who do not qualify for free and reduced-price lunches shall be
24 as nearly equal as possible to the percentage of the student body of the
25 learning community who do not qualify for free and reduced-price lunches.
26 If more capacity exists in a focus school or program than the number of
27 applicants for such focus school or program that contribute to the
28 socioeconomic diversity of the focus school or program, the school
29 district shall randomly select applicants up to the number of applicants
30 that will be accepted for such building. A student who will complete the
31 grades offered at a focus program, focus school, or magnet school that is

1 part of a pathway shall be allowed to attend the focus program, focus
2 school, or magnet school offering the next grade level as part of the
3 pathway as a continuing student. A student who completes the grades
4 offered at a focus program, focus school, or magnet school shall be
5 allowed to attend a school offering the next grade level in the school
6 district responsible for the focus program, focus school, or magnet
7 school as a continuing student. A student who attended a program or
8 school in the school year immediately preceding the first school year for
9 which the program or school will operate as a focus program or focus
10 school approved by the learning community and meeting the requirements of
11 section 79-769 and who has not completed the grades offered at the focus
12 program or focus school shall be a continuing student in the program or
13 school.

14 ~~(4) On or before February 15 of each year beginning with the year~~
15 ~~immediately following the year in which the initial coordinating council~~
16 ~~for the learning community takes office, a parent or guardian of a~~
17 ~~student who is currently attending a school building or program, except a~~
18 ~~magnet school, focus school, or focus program, outside of the attendance~~
19 ~~area where the student resides and who will complete the grades offered~~
20 ~~at such school building prior to the following school year shall provide~~
21 ~~notice, on a form provided by the school district, to the school board of~~
22 ~~the school district containing such school building if such student will~~
23 ~~attend another school building within such district as a continuing~~
24 ~~student and which school building such student would prefer to attend. On~~
25 ~~or before March 1, such school board shall provide a notice to such~~
26 ~~parent or guardian stating which school building or buildings the student~~
27 ~~shall be allowed to attend in such school district as a continuing~~
28 ~~student for the following school year. If the student resides within the~~
29 ~~school district, the notice shall include the school building offering~~
30 ~~the grade the student will be entering for the following school year in~~
31 ~~the attendance area where the student resides. This subsection shall not~~

1 ~~apply to focus schools or programs.~~

2 ~~(5) A parent or guardian of a student who moves to a new residence~~
3 ~~in the learning community after April 1 may apply directly to a school~~
4 ~~board within the learning community within ninety days after moving for~~
5 ~~the student to attend a school building outside of the attendance area~~
6 ~~where the student resides. Such school board shall accept or reject such~~
7 ~~application within fifteen days after receiving the application, based on~~
8 ~~the number of applications and qualifications pursuant to subsection (2)~~
9 ~~or (3) of this section for all other students.~~

10 ~~(6) A parent or guardian of a student who wishes to change school~~
11 ~~buildings for emergency or hardship reasons may apply directly to a~~
12 ~~school board within the learning community at any time for the student to~~
13 ~~attend a school building outside of the attendance area where the student~~
14 ~~resides. Such application shall state the emergency or hardship and shall~~
15 ~~be kept confidential by the school board. Such school board shall accept~~
16 ~~or reject such application within fifteen days after receiving the~~
17 ~~application. Applications shall only be accepted if an emergency or~~
18 ~~hardship was presented which justifies an exemption from the procedures~~
19 ~~in subsection (4) of this section based on the judgment of such school~~
20 ~~board, and such acceptance shall not exceed the number of applications~~
21 ~~that will be accepted for the school year pursuant to subsection (2) or~~
22 ~~(3) of this section for such building.~~

23 Sec. 33. Section 79-2111, Reissue Revised Statutes of Nebraska, is
24 amended to read:

25 79-2111 (1) A learning community may levy a maximum levy pursuant to
26 subdivision ~~(2)(d)~~ ~~(2)~~ ~~(h)~~ of section 77-3442 for elementary learning
27 center facility leases, for remodeling of leased elementary learning
28 center facilities, and for up to fifty percent of the estimated costs for
29 focus school or program capital projects approved pursuant to this
30 section. The proceeds from such levy shall be used for elementary
31 learning center facility leases, for remodeling of leased elementary

1 learning center facilities, and to reduce the bonded indebtedness
2 required for approved projects by up to fifty percent of the estimated
3 cost of the approved project. The funds used for reductions of bonded
4 indebtedness shall be transferred to the school district for which the
5 project was approved and shall be deposited in such school district's
6 special building fund for use on such project.

7 (2) The learning community may approve pursuant to this section
8 funding for capital projects which will include the purchase,
9 construction, or remodeling of facilities for a focus school or program
10 designed to meet the requirements of section 79-769. Such approval shall
11 include an estimated cost for the project and shall state the amount that
12 will be provided by the learning community for such project.

13 (3) If, within the ten years following receipt of the funding for a
14 capital project pursuant to this section, a school district receiving
15 such funding uses the facility purchased, constructed, or remodeled with
16 such funding for purposes other than those stated to qualify for the
17 funds, the school district shall repay such funds to the learning
18 community with interest at the rate prescribed in section 45-104.02
19 accruing from the date the funds were transferred to the school
20 district's building fund as of the last date the facility was used for
21 such purpose as determined by the learning community coordinating council
22 or the date that the learning community coordinating council determines
23 that the facility will not be used for such purpose or that such facility
24 will not be purchased, constructed, or remodeled for such purpose.
25 Interest shall continue to accrue on outstanding balances until the
26 repayment has been completed. The remaining terms of repayment shall be
27 determined by the learning community coordinating council. The learning
28 community coordinating council may waive such repayment if the facility
29 is used for a different focus school or program for a period of time that
30 will result in the use of the facility for qualifying purposes for a
31 total of at least ten years.

1 Sec. 34. Section 79-2115, Revised Statutes Supplement, 2015, is
2 amended to read:

3 79-2115 (1) Learning community funds distributed pursuant to section
4 79-2103 may be used by the learning community coordinating council
5 receiving the funds for:

6 (a) The administration and operation of the learning community. If a
7 chief executive officer is employed by the learning community
8 coordinating council to administer the learning community, the chief
9 executive officer shall meet on a regular basis with the superintendents
10 of the member school districts of the learning community to discuss early
11 childhood education programs, elementary learning centers, juvenile
12 justice and attendance issues, focus programs, and pilot programs related
13 to English language learners and poverty;

14 (b) The administration, operations, and programs of elementary
15 learning centers pursuant to sections 79-2112 to 79-2114;

16 (c) Supplements for extended hours to teachers in elementary schools
17 in which at least thirty-five percent of the students attending the
18 school who reside in the attendance area of such school qualify for free
19 or reduced-price lunches and elementary schools that provide free meals
20 to all students pursuant to the community eligibility provision;

21 (d) Transportation to elementary school functions for parents of
22 elementary students who qualify for free or reduced-price lunches or who
23 attend an elementary school that provides free meals to all students
24 pursuant to the community eligibility provision;

25 (e) Up to six social workers to provide services through the
26 elementary learning centers; and

27 (f) Pilot projects authorized pursuant to section 79-2104.

28 (2) Each learning community coordinating council shall adopt
29 policies and procedures for granting supplements for extended hours and
30 for providing transportation for parents if any such funds are to be used
31 for such purposes. An example of a pilot project that could receive such

1 funds would be a school designated as Jump Start Center focused on
2 providing intensive literacy services for elementary students with low
3 reading scores.

4 (3) Each learning community coordinating council shall provide for
5 financial audits of elementary learning centers and pilot projects. A
6 learning community coordinating council shall serve as the recipient of
7 private funds donated to support any elementary learning center or pilot
8 project receiving funds from such learning community coordinating council
9 and shall assure that the use of such private funds is included in the
10 financial audits required pursuant to this section.

11 Sec. 35. Section 79-2404, Reissue Revised Statutes of Nebraska, is
12 amended to read:

13 79-2404 If the school board of any school district or the board of
14 any educational service unit fails to timely file a copy of an approved
15 contract, or contract amendment, for superintendent services or
16 educational service unit administrator services with the State Department
17 of Education as required in section 79-2403, the Commissioner of
18 Education, after notice to the board president and either the
19 superintendent or educational service unit administrator and an
20 opportunity to be heard, shall direct that any state aid granted pursuant
21 to the Tax Equity and Educational Opportunities Support Act to the school
22 district or core services and technology infrastructure funds granted
23 pursuant to section 79-1241.03 to the educational service unit be
24 withheld until such time as the contract or amendment is received by the
25 department. In addition, the commissioner shall direct each county
26 treasurer of a county with territory in the school district or
27 educational service unit to withhold all money belonging to the school
28 district or educational service unit until such time as the commissioner
29 notifies such county treasurer of receipt of such contract or amendment.
30 Each such county treasurer shall withhold such money. For school
31 districts that are members of learning communities, a determination of

1 school money belonging to the school district shall be based on the
2 ~~proportionate share of property tax receipts allocated to the school~~
3 ~~district pursuant to section 79-1073 in addition to the other property~~
4 tax receipts belonging to the school district. If the board does not
5 comply with this section prior to October 1 following the school fiscal
6 year for which the state aid or core services and technology
7 infrastructure funding was calculated, the funds shall revert to the
8 General Fund. The amount of any reverted funds shall be included in data
9 provided to the Governor, the Appropriations Committee of the
10 Legislature, and the Education Committee of the Legislature in accordance
11 with section 79-1031.

12 Sec. 36. Sections 3, 4, 5, 13, 19, 20, 21, 23, 24, 25, 26, 28, 33,
13 35, 37, and 39 of this act become operative on July 1, 2017. The other
14 sections of this act become operative on their effective date.

15 Sec. 37. Original sections 79-528, 79-1007.18, 79-1008.02, 79-1022,
16 79-1036, 79-1041, 79-10,120, 79-10,126, 79-2104, 77-2104.02, 79-2111, and
17 79-2404, Reissue Revised Statutes of Nebraska, sections 70-651.04 and
18 77-1736.06, Revised Statutes Cumulative Supplement, 2014, and section
19 77-3442, Revised Statutes Supplement, 2015, are repealed.

20 Sec. 38. Original sections 79-102, 79-233, 79-237, 79-238, 79-413,
21 79-473, 79-611, 79-850, 79-979, 79-1241.03, 79-2104.01, and 79-2104.03,
22 Reissue Revised Statutes of Nebraska, sections 32-546.01 and 32-604,
23 Revised Statutes Cumulative Supplement, 2014, and sections 79-215,
24 79-1001, 79-1007.11, 79-2110, and 79-2115, Revised Statutes Supplement,
25 2015, are repealed.

26 Sec. 39. The following sections are outright repealed: Sections
27 79-1073, 79-1073.01, and 79-10,126.01, Reissue Revised Statutes of
28 Nebraska.

29 Sec. 40. The following sections are outright repealed: Sections
30 79-4,117, 79-4,118, 79-4,119, 79-4,120, 79-4,121, 79-4,122, 79-4,123,
31 79-4,124, 79-4,125, 79-4,126, 79-4,127, 79-4,128, 79-4,129, and

1 79-2110.01, Reissue Revised Statutes of Nebraska.