

ONE HUNDRED SEVENTH LEGISLATURE - FIRST SESSION - 2021
COMMITTEE STATEMENT
LB323

Hearing Date: Monday January 25, 2021
Committee On: Education
Introducer: Walz
One Liner: Change provisions of the Tax Equity and Educational Opportunities Support Act relating to pandemics

Roll Call Vote - Final Committee Action:

Advanced to General File with amendment(s)

Vote Results:

Aye: 8 Senators Day, Linehan, McKinney, Morfeld, Murman, Pansing Brooks, Sanders, Walz

Nay:

Absent:

Present Not Voting:

Oral Testimony:

Proponents:

NICOLE BARRETT

KEVIN LYONS

JOHN SCHWARTZ

Representing:

INTRODUCER (Research Analyst, on behalf of the Education Committee)

NEBRASKA DEPARTMENT OF EDUCATION

STANCE, GNSA, NASB, NRCSA, NSEA, NCSA, STAND FOR SCHOOLS

Opponents:

Representing:

Neutral:

Representing:

Summary of purpose and/or changes:

Legislative bill 323 makes changes to the Tax Equity and Educational Opportunities Support Act (TEEOSA) in school fiscal years affected by a pandemic and corresponding data reporting.

Section 1:

"Pandemic affected school fiscal year" is added to the definitions section of TEEOSA. It is defined as a school fiscal year for which a state of emergency related to a pandemic declared for any portion of the school fiscal year by the Governor pursuant to the Emergency Management Act.

It changes the term "qualified early childhood education average daily membership" to "qualified early childhood education average daily aid membership" and adds an alternative definition to be used during pandemic affected school fiscal years. The alternative definition includes a ratio calculation of the average statewide instructional hours during the most recent non-pandemic year divided by the average statewide instructional hours during the pandemic year, which is then multiplied

against the traditional calculation used.

Similarly, it changes the term "qualified early childhood education fall membership" to "qualified early childhood education fall aid membership". It bifurcates the definition of such term and places the applicable portions into a newly defined term of "qualified early childhood education student."

Section 2:

LB323 makes the following changes to Neb Rev. Stat. 79-1003.01:

- In subsection (2), the TEEOSA calculation for summer school is modified to account for virtual learning.
- In subsections (4) and (5), the TEEOSA calculation for early childhood education is updated to reflect the terminology changes previously discussed.

Section 3:

The TEEOSA transportation allowance is adjusted to account for pandemic-related transportation costs incurred after in-person learning ended when the pandemic began. The adjustment is made by including a ratio calculation of the statewide miles traveled during the most recent non-pandemic year divided by the statewide miles traveled during the pandemic year, which is then multiplied against the traditional calculation used.

Section 4-8:

LB323, for this year only, delays the Nebraska Department of Education's deadlines for the following provisions within TEEOSA from March 1, 2021 to June 10, 2021:

- Certification to the Director of Administrative Services, the Auditor of Public Accounts and each school district the amount of state aid that will be paid for 2021/22;
- Report to the Governor, the Appropriations Committee and the Education Committee the necessary funding level for state aid;
- Certification of each school district's budget authority for the general fund budget of expenditures for the 2021/22 school fiscal year; and
- Certification of each district's applicable allowable reserve percentage for the 2021/22 school fiscal year.

LB323 provides that any certification of state aid pursuant to 79-1022, certification of budget authority pursuant to 79-1023, and certification of applicable allowable reserve percentages pursuant to section 79-1027 completed prior to the effective date of this act for school fiscal year 2021/22 is null and void.

Furthermore, LB323 recognizes the delay in the certification deadline from March 1 to June 10, 2021 for the 2021/22 school fiscal year in the provisions requiring the Appropriations Committee to include the amount necessary to fund the state aid in its recommendations to the Legislature.

Section 9:

The Early Childhood Education Grant Program (aka Sixpence) is updated to reflect the terminology change to "qualified

early childhood education students" previously discussed.

Section 10:

Outlines the original sections of statute to be repealed.

Section 11:

This measure contains an emergency clause.

Explanation of amendments:

AM41 adds a new section to LB323 related to the TEEOSA student growth adjustment correction. When the calculation is based upon a pandemic affected school fiscal year, the new language allows those school districts with a calculated negative student growth adjustment correction to avoid a reduction in aid and be redetermined the following year. This is meant to account for short term student loss due to increases in exempt students and kindergarteners delaying a year due to the pandemic.

Lynne Walz, Chairperson