

LEGISLATURE OF NEBRASKA  
ONE HUNDRED NINTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 572**

Introduced by Hughes, 24; Lonowski, 33.

Read first time January 22, 2025

Committee: Education

1 A BILL FOR AN ACT relating to the Tax Equity and Educational  
2 Opportunities Support Act; to amend sections 79-1028.01 and 79-3404,  
3 Reissue Revised Statutes of Nebraska; to authorize a school district  
4 to exceed its budget authority for the general fund budget of  
5 expenditures for expenditures for stipends paid to a student teacher  
6 or intern as prescribed; to change the applicability of the School  
7 District Property Tax Limitation Act; to harmonize provisions; and  
8 to repeal the original sections.  
9 Be it enacted by the people of the State of Nebraska,

1           **Section 1.** Section 79-1028.01, Reissue Revised Statutes of Nebraska,  
2 is amended to read:

3           79-1028.01 (1) For each school fiscal year, a school district may  
4 exceed its budget authority for the general fund budget of expenditures  
5 as calculated pursuant to section 79-1023 for such school fiscal year by  
6 a specific dollar amount for the following exclusions:

7           (a) Expenditures for repairs to infrastructure damaged by a natural  
8 disaster which is declared a disaster emergency pursuant to the Emergency  
9 Management Act;

10           (b) Expenditures for judgments, except judgments or orders from the  
11 Commission of Industrial Relations, obtained against a school district  
12 which require or obligate a school district to pay such judgment, to the  
13 extent such judgment is not paid by liability insurance coverage of a  
14 school district;

15           (c) Expenditures pursuant to the Retirement Incentive Plan  
16 authorized in section 79-855 or the Staff Development Assistance  
17 authorized in section 79-856;

18           (d) Expenditures of amounts received from educational entities as  
19 defined in section 79-1201.01 for providing distance education courses  
20 through the Educational Service Unit Coordinating Council to such  
21 educational entities;

22           (e) Expenditures to pay for employer contributions pursuant to  
23 subsection (2) of section 79-958 to the School Employees Retirement  
24 System of the State of Nebraska to the extent that such expenditures  
25 exceed the employer contributions under such subsection that would have  
26 been made at a contribution rate of seven and thirty-five hundredths  
27 percent;

28           (f) Expenditures to pay for school district contributions pursuant  
29 to subdivision (1)(c)(i) or (1)(d)(i) of section 79-9,113 to the  
30 retirement system established pursuant to the Class V School Employees  
31 Retirement Act to the extent that such expenditures exceed the school

1 district contributions under such subdivision that would have been made  
2 at a contribution rate of seven and thirty-seven hundredths percent;

3 (g) Expenditures for incentives agreed to be paid by a school  
4 district to certificated employees in exchange for a voluntary  
5 termination of employment occurring prior to July 1, 2009, occurring on  
6 or after the last day of the 2010-11 school year and prior to the first  
7 day of the 2013-14 school year, or, to the extent that a district  
8 demonstrates to the State Board of Education pursuant to subsection (3)  
9 of this section that the agreement will result in a net savings in salary  
10 and benefit costs to the school district over a five-year period,  
11 occurring on or after the first day of the 2013-14 school year and prior  
12 to September 1, 2017;

13 (h) Expenditures by a school district with budgeted expenditures  
14 otherwise equal to the budget authority for the general fund budget of  
15 expenditures for such school district as calculated pursuant to section  
16 79-1023 for such school fiscal year for current and future qualified  
17 voluntary termination incentives for certificated teachers pursuant to  
18 subsection (3) of section 79-8,142 that are not otherwise included in an  
19 exclusion pursuant to this subsection;

20 (i) Expenditures by a school district with budgeted expenditures  
21 otherwise equal to the budget authority for the general fund budget of  
22 expenditures for such school district as calculated pursuant to section  
23 79-1023 for such school fiscal year for seventy-five percent of  
24 incentives agreed to be paid to certificated employees in exchange for a  
25 voluntary termination of employment occurring between September 1, 2017,  
26 and August 31, 2018, as a result of a collective-bargaining agreement in  
27 force and effect on September 1, 2017, that are not otherwise included in  
28 an exclusion pursuant to this subsection;

29 (j) Expenditures by a school district with budgeted expenditures  
30 otherwise equal to the budget authority for the general fund budget of  
31 expenditures for such school district as calculated pursuant to section

1 79-1023 for such school fiscal year for fifty percent of incentives  
2 agreed to be paid to certificated employees in exchange for a voluntary  
3 termination of employment occurring between September 1, 2018, and August  
4 31, 2019, as a result of a collective-bargaining agreement in force and  
5 effect on September 1, 2017, that are not otherwise included in an  
6 exclusion pursuant to this subsection;

7 (k) Expenditures by a school district with budgeted expenditures  
8 otherwise equal to the budget authority for the general fund budget of  
9 expenditures for such school district as calculated pursuant to section  
10 79-1023 for such school fiscal year for twenty-five percent of incentives  
11 agreed to be paid to certificated employees in exchange for a voluntary  
12 termination of employment occurring between September 1, 2019, and August  
13 31, 2020, as a result of a collective-bargaining agreement in force and  
14 effect on September 1, 2017, that are not otherwise included in an  
15 exclusion pursuant to this subsection;

16 (l) The special education budget of expenditures;

17 (m) Expenditures of special grant funds; ~~and~~

18 (n) Expenditures of funds received as federal impact aid pursuant to  
19 20 U.S.C. 7701 to 7714, as such sections existed on January 1, 2016, due  
20 to a district having land within its boundaries that is federal property  
21 classified as Indian lands under 20 U.S.C. 7713(7), as such section  
22 existed on January 1, 2016, and funds received as impact aid due to  
23 children in attendance who resided on Indian lands in accordance with 20  
24 U.S.C. 7703(a)(1)(C), as such section existed on January 1, 2016; ~~and -~~

25 (o) Expenditures for stipends paid to any student teacher or intern  
26 as defined in section 79-875 who is completing a supervised teaching  
27 practicum in a Nebraska public or private school as part of the  
28 requirements for teacher certification.

29 (2) For each school fiscal year, a school district may exceed its  
30 budget authority for the general fund budget of expenditures as  
31 calculated pursuant to section 79-1023 for such school fiscal year by a

1 specific dollar amount and include such dollar amount in the budget of  
2 expenditures used to calculate budget authority for the general fund  
3 budget of expenditures pursuant to section 79-1023 for future years for  
4 the following exclusions:

5 (a) The first school fiscal year the district will be participating  
6 in Network Nebraska for the full school fiscal year, for the difference  
7 of the estimated expenditures for such school fiscal year for  
8 telecommunications services, access to data transmission networks that  
9 transmit data to and from the school district, and the transmission of  
10 data on such networks as such expenditures are defined by the department  
11 for purposes of the distance education and telecommunications allowance  
12 minus the dollar amount of such expenditures for the second school fiscal  
13 year preceding the first full school fiscal year the district  
14 participates in Network Nebraska;

15 (b) Expenditures for new elementary attendance sites in the first  
16 year of operation or the first year of operation after being closed for  
17 at least one school year if such elementary attendance site will most  
18 likely qualify for the elementary site allowance in the immediately  
19 following school fiscal year as determined by the state board;

20 (c) For the first school fiscal year for which early childhood  
21 education membership is included in formula students for the calculation  
22 of state aid, expenditures for early childhood education equal to the  
23 amount the school district received in early childhood education grants  
24 pursuant to section 79-1103 for the prior school fiscal year, increased  
25 by the basic allowable growth rate; and

26 (d) For school fiscal year 2013-14, an amount not to exceed two  
27 percent over the previous school year if such increase is approved by a  
28 seventy-five percent majority vote of the school board of such district.

29 (3) The state board shall approve, deny, or modify the amount  
30 allowed for any exclusions to the budget authority for the general fund  
31 budget of expenditures pursuant to this section.

1           **Sec. 2.** Section 79-3404, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3           79-3404 The School District Property Tax Limitation Act shall not  
4 apply to that portion of a school district's property tax request that is  
5 needed (a) to pay the principal and interest on approved bonds or (b) to  
6 pay for stipends to student teachers or interns as described in  
7 subdivision (1)(o) of section 79-1028.01.

8           **Sec. 3.** Original sections 79-1028.01 and 79-3404, Reissue Revised  
9 Statutes of Nebraska, are repealed.