

AMENDMENTS TO LB 314

1 1. Strike the original sections and insert the following
2 new sections:

3 "Section 1. The Hardship Fund is created. Money in the
4 fund shall be distributed to districts pursuant to section 2 of
5 this act. The fund shall consist of any money not distributed as
6 temporary mitigation funds pursuant to section 79-1072.01 and other
7 funds appropriated by the Legislature. The Legislature shall
8 annually appropriate sufficient funds to maintain the amount not
9 distributed as temporary mitigation funds pursuant to section
10 79-1072.01 as the beginning balance in the fund at the beginning of
11 each fiscal year. Money in the fund available for investment shall
12 be invested by the state investment officer pursuant to the
13 Nebraska Capital Expansion Act and the Nebraska State Funds
14 Investment Act.

15 Sec. 2. (1) A school district may apply to the
16 Commissioner of Education, in a manner prescribed by the
17 commissioner, for money from the Hardship Fund if one or more
18 unexpected discrete occurrences cause the district financial
19 distress. Such occurrences include, but are not limited to:

20 (a) One or more new special education students or one or
21 more new disabling conditions of a special education student
22 causing special education expenditures to increase by ten percent
23 over the prior school fiscal year's special education expenditures,
24 but not less than three times the cost grouping cost per student in

1 the standard cost grouping in the current school fiscal year;

2 (b) The opening of a group home causing expenditures to
3 increase by ten percent over the prior school fiscal year's special
4 education expenditures but not less than three times the cost
5 grouping cost per student in the standard cost grouping for the
6 current school fiscal year; and

7 (c) Clerical errors by public officials that are
8 affecting the funding available to the district.

9 (2) If the district will receive reimbursement from
10 another source for the costs that are being covered by money
11 received from the Hardship Fund, the district shall reimburse the
12 fund in a manner to be determined by the commissioner. For money
13 received from the fund that will cover reimbursable special
14 education costs, one-third of the reimbursed amount will be
15 subtracted from the special education reimbursements each year for
16 the three years following receipt of such funds. Money received
17 from the fund shall be included in the special education allowance
18 under the Tax Equity and Educational Opportunities Support Act,
19 except that if the district will be reimbursed for those costs and
20 the district will repay the fund, the amount of repayment shall not
21 be included in the allowance.

22 (3) The commissioner shall notify the district of his or
23 her decision within thirty days after receiving the application.
24 The commissioner may award any amount of available money from the
25 fund he or she deems appropriate with any repayment conditions that
26 he or she deems appropriate and consistent with this section. The
27 commissioner may also refuse to award any money under this section

1 in response to a particular request.

2 (4) Before money is distributed to a district under this
3 section, the president of the school board shall sign an agreement
4 stating that:

5 (a) The costs for which money is being distributed are as
6 accurate as can be determined at that point;

7 (b) The events were unexpected; and

8 (c) The district will make any required repayments to the
9 fund.

10 (5) Up to two-thirds of the money appropriated to the
11 fund shall be available to be awarded for requests received between
12 July 1 to December 31 of each fiscal year. The remainder of the
13 appropriation shall be available to be awarded for requests
14 received between January 1 to June 30 of each fiscal year.

15 (6) Nothing in this section guarantees an award of money
16 from the Hardship Fund to any district. Money from the fund shall
17 be paid as a lump sum to each district receiving funds and shall be
18 limited to a one-year impact per unexpected discrete occurrence.".