

LEGISLATURE OF NEBRASKA

ONE HUNDRED FIRST LEGISLATURE

SECOND SESSION

**LEGISLATIVE BILL 974**

Introduced by Avery, 28.

Read first time January 19, 2010

Committee: Education

A BILL

1 FOR AN ACT relating to learning communities; to amend sections  
2 77-3442 and 79-2111, Reissue Revised Statutes of  
3 Nebraska, and section 79-2104, Revised Statutes  
4 Supplement, 2009; to change provisions relating to use  
5 of a tax levy as prescribed; to harmonize provisions;  
6 to repeal the original sections; and to declare an  
7 emergency.

8 Be it enacted by the people of the State of Nebraska,

1           Section 1. Section 77-3442, Reissue Revised Statutes of  
2 Nebraska, is amended to read:

3           77-3442 (1) Property tax levies for the support of local  
4 governments for fiscal years beginning on or after July 1, 1998,  
5 shall be limited to the amounts set forth in this section except as  
6 provided in section 77-3444.

7           (2)(a) Except as provided in subdivision (2)(e) of this  
8 section, school districts and multiple-district school systems,  
9 except learning communities and school districts that are members  
10 of learning communities, may levy a maximum levy of one dollar and  
11 five cents per one hundred dollars of taxable valuation of property  
12 subject to the levy.

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

19           (c) Except as provided in subdivision (2)(e) of this  
20 section, for each fiscal year, school districts that are members  
21 of learning communities may levy for purposes of such districts'  
22 general fund budget and special building funds a maximum combined  
23 levy of the difference of one dollar and five cents on each one  
24 hundred dollars of taxable property subject to the levy minus  
25 the learning community levies pursuant to subdivisions (2)(b) and

1 (2)(g) of this section for such learning community.

2 (d) Excluded from the limitations in subdivisions (2)(a)  
3 and (2)(c) of this section are amounts levied to pay for  
4 sums agreed to be paid by a school district to certificated  
5 employees in exchange for a voluntary termination of employment  
6 and amounts levied to pay for special building funds and sinking  
7 funds established for projects commenced prior to April 1, 1996,  
8 for construction, expansion, or alteration of school district  
9 buildings. For purposes of this subsection, commenced means any  
10 action taken by the school board on the record which commits  
11 the board to expend district funds in planning, constructing, or  
12 carrying out the project.

13 (e) Federal aid school districts may exceed the maximum  
14 levy prescribed by subdivision (2)(a) or (2)(c) of this section  
15 only to the extent necessary to qualify to receive federal aid  
16 pursuant to Title VIII of Public Law 103-382, as such title existed  
17 on September 1, 2001. For purposes of this subdivision, federal  
18 aid school district means any school district which receives ten  
19 percent or more of the revenue for its general fund budget from  
20 federal government sources pursuant to Title VIII of Public Law  
21 103-382, as such title existed on September 1, 2001.

22 (f) For school fiscal year 2002-03 through school fiscal  
23 year 2007-08, school districts and multiple-district school systems  
24 may, upon a three-fourths majority vote of the school board of  
25 the school district, the board of the unified system, or the

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

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

20 (h) For each fiscal year, learning communities may levy  
21 a maximum levy of five cents on each one hundred dollars of  
22 taxable property subject to the levy for ~~elementary learning center~~  
23 ~~facilities and for up to fifty percent of the estimated cost for~~  
24 ~~capital~~ any uses or projects approved by the learning community  
25 coordinating council, including, but not limited to, projects

1 described in ~~pursuant to~~ section 79-2111.

2 (3) Community colleges may levy a maximum levy calculated  
3 pursuant to the Community College Foundation and Equalization Aid  
4 Act on each one hundred dollars of taxable property subject to the  
5 levy.

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

9 (b) Natural resources districts shall also have the power  
10 and authority to levy a tax equal to the dollar amount by which  
11 their restricted funds budgeted to administer and implement ground  
12 water management activities and integrated management activities  
13 under the Nebraska Ground Water Management and Protection Act  
14 exceed their restricted funds budgeted to administer and implement  
15 ground water management activities and integrated management  
16 activities for FY2003-04, not to exceed one cent on each one  
17 hundred dollars of taxable valuation annually on all of the taxable  
18 property within the district.

19 (c) In addition, natural resources districts located in  
20 a river basin, subbasin, or reach that has been determined to  
21 be fully appropriated pursuant to section 46-714 or designated  
22 as overappropriated pursuant to section 46-713 by the Department  
23 of Natural Resources shall also have the power and authority to  
24 levy a tax equal to the dollar amount by which their restricted  
25 funds budgeted to administer and implement ground water management

1 activities and integrated management activities under the Nebraska  
2 Ground Water Management and Protection Act exceed their restricted  
3 funds budgeted to administer and implement ground water management  
4 activities and integrated management activities for FY2005-06, not  
5 to exceed three cents on each one hundred dollars of taxable  
6 valuation on all of the taxable property within the district for  
7 fiscal year 2006-07 and each fiscal year thereafter through fiscal  
8 year 2011-12.

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

13 (6)(a) Incorporated cities and villages which are not  
14 within the boundaries of a municipal county may levy a maximum levy  
15 of forty-five cents per one hundred dollars of taxable valuation  
16 of property subject to the levy plus an additional five cents per  
17 one hundred dollars of taxable valuation to provide financing for  
18 the municipality's share of revenue required under an agreement  
19 or agreements executed pursuant to the Interlocal Cooperation Act  
20 or the Joint Public Agency Act. The maximum levy shall include  
21 amounts levied to pay for sums to support a library pursuant  
22 to section 51-201, museum pursuant to section 51-501, visiting  
23 community nurse, home health nurse, or home health agency pursuant  
24 to section 71-1637, or statue, memorial, or monument pursuant to  
25 section 80-202.

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

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

20           (8) Counties may levy or authorize a maximum levy of  
21 fifty cents per one hundred dollars of taxable valuation of  
22 property subject to the levy, except that five cents per one  
23 hundred dollars of taxable valuation of property subject to the  
24 levy may only be levied to provide financing for the county's  
25 share of revenue required under an agreement or agreements executed

1 pursuant to the Interlocal Cooperation Act or the Joint Public  
2 Agency Act. The maximum levy shall include amounts levied to pay  
3 for sums to support a library pursuant to section 51-201 or museum  
4 pursuant to section 51-501. The county may allocate up to fifteen  
5 cents of its authority to other political subdivisions subject  
6 to allocation of property tax authority under subsection (1) of  
7 section 77-3443 and not specifically covered in this section to  
8 levy taxes as authorized by law which do not collectively exceed  
9 fifteen cents per one hundred dollars of taxable valuation on any  
10 parcel or item of taxable property. The county may allocate to  
11 one or more other political subdivisions subject to allocation  
12 of property tax authority by the county under subsection (1) of  
13 section 77-3443 some or all of the county's five cents per one  
14 hundred dollars of valuation authorized for support of an agreement  
15 or agreements to be levied by the political subdivision for the  
16 purpose of supporting that political subdivision's share of revenue  
17 required under an agreement or agreements executed pursuant to the  
18 Interlocal Cooperation Act or the Joint Public Agency Act. If an  
19 allocation by a county would cause another county to exceed its  
20 levy authority under this section, the second county may exceed  
21 the levy authority in order to levy the amount allocated. Property  
22 tax levies for costs of reassumption of the assessment function  
23 pursuant to section 77-1340 or 77-1340.04 are not included in the  
24 levy limits established in this subsection for fiscal years 2010-11  
25 through 2013-14.



1           (9) Municipal counties may levy or authorize a maximum  
2   levy of one dollar per one hundred dollars of taxable valuation  
3   of property subject to the levy. The municipal county may allocate  
4   levy authority to any political subdivision or entity subject to  
5   allocation under section 77-3443.

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

20           (11) The limitations on tax levies provided in this  
21   section are to include all other general or special levies  
22   provided by law. Notwithstanding other provisions of law, the  
23   only exceptions to the limits in this section are those provided by  
24   or authorized by sections 77-3442 to 77-3444.

25           (12) Tax levies in excess of the limitations in this

1 section shall be considered unauthorized levies under section  
2 77-1606 unless approved under section 77-3444.

3 (13) For purposes of sections 77-3442 to 77-3444,  
4 political subdivision means a political subdivision of this state  
5 and a county agricultural society.

6 (14) For school districts that file a binding resolution  
7 on or before May 9, 2008, with the county assessors, county clerks,  
8 and county treasurers for all counties in which the school district  
9 has territory pursuant to subsection (7) of section 79-458, if the  
10 combined levies, except levies for bonded indebtedness approved by  
11 the voters of the school district and levies for the refinancing  
12 of such bonded indebtedness, are in excess of the greater of (a)  
13 one dollar and twenty cents per one hundred dollars of taxable  
14 valuation of property subject to the levy or (b) the maximum  
15 levy authorized by a vote pursuant to section 77-3444, all school  
16 district levies, except levies for bonded indebtedness approved by  
17 the voters of the school district and levies for the refinancing of  
18 such bonded indebtedness, shall be considered unauthorized levies  
19 under section 77-1606.

20 Sec. 2. Section 79-2104, Revised Statutes Supplement,  
21 2009, is amended to read:

22 79-2104 A learning community coordinating council shall  
23 have the authority to:

24 (1) Levy a common levy for the general funds of member  
25 school districts pursuant to sections 77-3442 and 79-1073;

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

4                   (3) Levy for ~~capital~~ uses and projects approved by  
5 the learning community coordinating council pursuant to sections  
6 77-3442 and 79-2111;

7                   (4) Collect, analyze, and report data and information,  
8 including, but not limited to, information provided by a school  
9 district pursuant to subsection (5) of section 79-201;

10                  (5) Approve focus schools and focus programs to be  
11 operated by member school districts;

12                  (6) Adopt, approve, and implement a diversity plan which  
13 shall include open enrollment and may include focus schools, focus  
14 programs, magnet schools, and pathways pursuant to section 79-2110;

15                  (7) Administer the open enrollment provisions in section  
16 79-2110 for the learning community as part of a diversity plan  
17 developed by the council to provide educational opportunities which  
18 will result in increased diversity in schools across the learning  
19 community;

20                  (8) Annually conduct school fairs to provide students and  
21 parents the opportunity to explore the educational opportunities  
22 available at each school in the learning community and develop  
23 other methods for encouraging access to such information and  
24 promotional materials;

25                  (9) Develop and approve reorganization plans for

1 submission pursuant to the Learning Community Reorganization Act;

2 (10) Establish and administer elementary learning centers  
3 through achievement subcouncils pursuant to sections 79-2112 to  
4 79-2114;

5 (11) Administer the learning community funds distributed  
6 to the learning community pursuant to section 79-2111;

7 (12) Approve or disapprove poverty plans and limited  
8 English proficiency plans for member school districts through  
9 achievement subcouncils established under section 79-2117;

10 (13) Establish a procedure for receiving community input  
11 and complaints regarding the learning community; and

12 (14) Establish a procedure to assist parents, citizens,  
13 and member school districts in accessing an approved center  
14 pursuant to the Dispute Resolution Act to resolve disputes  
15 involving member school districts or the learning community. Such  
16 procedure may include payment by the learning community for some  
17 mediation services.

18 Sec. 3. Section 79-2111, Reissue Revised Statutes of  
19 Nebraska, is amended to read:

20 79-2111 (1) A learning community may levy a maximum  
21 levy pursuant to subdivision (2)(h) of section 77-3442 for  
22 any projects it approves, including, but not limited to, the  
23 purchase, construction, or remodeling of elementary learning center  
24 facilities ~~and~~ or up to fifty percent of the estimated costs for  
25 capital projects approved pursuant to this section. The proceeds

1 from such levy shall be used for elementary learning center  
2 facilities, ~~and~~ for one-time reductions of the bonded indebtedness  
3 required for approved projects up to fifty percent of the estimated  
4 cost of the approved project, and for other projects approved  
5 by the learning community coordinating council. The funds used  
6 for reductions of bonded indebtedness shall be transferred to the  
7 school district for which the project was approved and shall be  
8 deposited in such school district's special building fund for use  
9 on such project.

10 (2) The learning community may approve pursuant to this  
11 section funding for capital projects which will include the  
12 purchase, construction, or remodeling of facilities for a focus  
13 school or program designed to meet the requirements of section  
14 79-769. Such approval shall include an estimated cost for the  
15 project and shall state the amount that will be provided by the  
16 learning community for such project.

17 (3) If, within the ten years following receipt of the  
18 funding for a capital project pursuant to this section, a school  
19 district receiving such funding uses the facility purchased,  
20 constructed, or remodeled with such funding for purposes other  
21 than those stated to qualify for the funds, the school district  
22 shall repay such funds to the learning community with interest at  
23 the rate prescribed in section 45-104.02 accruing from the date  
24 the funds were transferred to the school district's building fund  
25 as of the last date the facility was used for such purpose as

1 determined by the learning community coordinating council or the  
2 date that the learning community coordinating council determines  
3 that the facility will not be used for such purpose or that  
4 such facility will not be purchased, constructed, or remodeled  
5 for such purpose. Interest shall continue to accrue on outstanding  
6 balances until the repayment has been completed. The remaining  
7 terms of repayment shall be determined by the learning community  
8 coordinating council. The learning community coordinating council  
9 may waive such repayment if the facility is used for a different  
10 focus school or program for a period of time that will result in  
11 the use of the facility for qualifying purposes for a total of at  
12 least ten years.

13           Sec. 4. Original sections 77-3442 and 79-2111, Reissue  
14 Revised Statutes of Nebraska, and section 79-2104, Revised Statutes  
15 Supplement, 2009, are repealed.

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