

LEGISLATURE OF NEBRASKA
ONE HUNDRED FOURTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 882

Introduced by Scheer, 19; Ebke, 32; Fox, 7; Friesen, 34; Groene, 42;
Hughes, 44; Kintner, 2; Kolterman, 24; Kuehn, 38; Larson,
40; Lindstrom, 18; Riepe, 12; Stinner, 48; Watermeier, 1.

Read first time January 11, 2016

Committee:

- 1 A BILL FOR AN ACT relating to school budgeting; to amend sections 79-1025
- 2 and 79-1030, Reissue Revised Statutes of Nebraska, and section
- 3 13-519, Revised Statutes Supplement, 2015; to change provisions
- 4 relating to budget limitations as prescribed; and to repeal the
- 5 original sections.
- 6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 13-519, Revised Statutes Supplement, 2015, is
2 amended to read:

3 13-519 (1)(a) Subject to subdivision (1)(b) of this section, for all
4 fiscal years beginning on or after July 1, 1998, no governmental unit
5 shall adopt a budget containing a total of budgeted restricted funds more
6 than the last prior year's total of budgeted restricted funds plus
7 allowable growth plus the basic allowable growth percentage of the base
8 limitation established under section 77-3446. For the second fiscal year
9 in which a county will receive a full year of receipts from the tax
10 imposed in sections 77-27,223 to 77-27,227, the prior year's total of
11 restricted funds shall be the prior year's total of restricted funds plus
12 the total receipts from the tax imposed in sections 77-27,223 to
13 77-27,227 in the prior year. If a governmental unit transfers the
14 financial responsibility of providing a service financed in whole or in
15 part with restricted funds to another governmental unit or the state, the
16 amount of restricted funds associated with providing the service shall be
17 subtracted from the last prior year's total of budgeted restricted funds
18 for the previous provider and may be added to the last prior year's total
19 of restricted funds for the new provider. For governmental units that
20 have consolidated, the calculations made under this section for
21 consolidating units shall be made based on the combined total of
22 restricted funds, population, or full-time equivalent students of each
23 governmental unit.

24 (b) For all fiscal years beginning on or after July 1, 2008,
25 educational service units may exceed the limitations of subdivision (1)
26 (a) of this section to the extent that one hundred ten percent of the
27 needs for the educational service unit calculated pursuant to section
28 79-1241.03 exceeds the budgeted restricted funds allowed pursuant to
29 subdivision (1)(a) of this section.

30 (2)(a) Except as provided in subdivision (b) of this subsection, a
31 ~~(2)~~—A governmental unit may exceed the limit provided in subdivision (1)

1 (a) of this section for a fiscal year by up to an additional one percent
2 upon the affirmative vote of at least seventy-five percent of the
3 governing body.

4 (b) A school district may exceed the limit provided in subdivision
5 (1)(a) of this section for a fiscal year by up to an additional one
6 percent or the amount necessary to meet a budgeting shortfall, whichever
7 is less, upon the affirmative vote of at least seventy-five percent of
8 the school board or board of education.

9 (3) A governmental unit may exceed the applicable allowable growth
10 percentage otherwise prescribed in this section by an amount approved by
11 a majority of legal voters voting on the issue at a special election
12 called for such purpose upon the recommendation of the governing body or
13 upon the receipt by the county clerk or election commissioner of a
14 petition requesting an election signed by at least five percent of the
15 legal voters of the governmental unit. The recommendation of the
16 governing body or the petition of the legal voters shall include the
17 amount and percentage by which the governing body would increase its
18 budgeted restricted funds for the ensuing year over and above the current
19 year's budgeted restricted funds. The county clerk or election
20 commissioner shall call for a special election on the issue within thirty
21 days after the receipt of such governing body recommendation or legal
22 voter petition. The election shall be held pursuant to the Election Act,
23 and all costs shall be paid by the governing body. The issue may be
24 approved on the same question as a vote to exceed the levy limits
25 provided in section 77-3444.

26 (4) In lieu of the election procedures in subsection (3) of this
27 section, any governmental unit may exceed the allowable growth percentage
28 otherwise prescribed in this section by an amount approved by a majority
29 of legal voters voting at a meeting of the residents of the governmental
30 unit, called after notice is published in a newspaper of general
31 circulation in the governmental unit at least twenty days prior to the

1 meeting. At least ten percent of the registered voters residing in the
2 governmental unit shall constitute a quorum for purposes of taking action
3 to exceed the allowable growth percentage. If a majority of the
4 registered voters present at the meeting vote in favor of exceeding the
5 allowable growth percentage, a copy of the record of that action shall be
6 forwarded to the Auditor of Public Accounts along with the budget
7 documents. The issue to exceed the allowable growth percentage may be
8 approved at the same meeting as a vote to exceed the limits or final levy
9 allocation provided in section 77-3444.

10 Sec. 2. Section 79-1025, Reissue Revised Statutes of Nebraska, is
11 amended to read:

12 79-1025 The basic allowable growth rate for general fund
13 expenditures other than cash reserves and other than expenditures for
14 special education shall be the base limitation established under section
15 77-3446. The budget authority for special education for all classes of
16 school districts shall be the actual anticipated expenditures for special
17 education subject to the approval of the state board. Such budget
18 authority and funds generated pursuant to such budget authority shall be
19 used only for special education expenditures.

20 Sec. 3. Section 79-1030, Reissue Revised Statutes of Nebraska, is
21 amended to read:

22 79-1030 A Class II, III, IV, V, or VI district may choose not to
23 increase its general fund budget of expenditures by the full amount of
24 budget authority for the general fund budget of expenditures as
25 calculated pursuant to section 79-1023. ~~In such cases, the department~~
26 ~~shall calculate the amount of unused budget authority which shall be~~
27 ~~carried forward to future budget years. The amount of unused budget~~
28 ~~authority that may be used by a district in a single school fiscal year~~
29 ~~to increase its general fund budget of expenditures above the budget~~
30 ~~authority for the general fund budget of expenditures as calculated~~
31 ~~pursuant to section 79-1023 shall be limited to two percent of the~~

1 ~~difference of the general fund budget of expenditures minus the sum of~~
2 ~~special grant funds, the special education budget of expenditures, and~~
3 ~~exceptions pursuant to subsection (1) of section 79-1028.01 for the~~
4 ~~immediately preceding school fiscal year.~~

5 Sec. 4. Original sections 79-1025 and 79-1030, Reissue Revised
6 Statutes of Nebraska, and section 13-519, Revised Statutes Supplement,
7 2015, are repealed.