

LEGISLATURE OF NEBRASKA  
ONE HUNDRED FIFTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 247**

Introduced by Morfeld, 46.

Read first time January 11, 2017

Committee:

1 A BILL FOR AN ACT relating to school finance; to amend section  
2 79-10,110.02, Revised Statutes Cumulative Supplement, 2016; to  
3 change provisions relating to school district levy and bonding  
4 authority for certain projects; to authorize school district levy  
5 and bonding authority for cybersecurity as prescribed; to define and  
6 redefine terms; and to repeal the original section.

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

1 Section 1. Section 79-10,110.02, Revised Statutes Cumulative  
2 Supplement, 2016, is amended to read:

3 79-10,110.02 (1) On and after April 19, 2016, the school board of  
4 any Class II, III, IV, or V school district may make a determination that  
5 an additional property tax levy is necessary for a specific abatement  
6 project to address an actual or potential environmental hazard,  
7 accessibility barrier, life safety code violation, life safety hazard, ~~or~~  
8 mold, or cybersecurity vulnerability which exists within one or more  
9 existing school or administration buildings or the ~~school~~ grounds of  
10 existing school or administration buildings controlled by the school  
11 district. Such determination shall not include abatement projects related  
12 to the acquisition of new property, the construction of a new building,  
13 the expansion of an existing building, or the remodeling of an existing  
14 building for purposes other than the abatement of environmental hazards,  
15 accessibility barriers, life safety code violations, life safety hazards,  
16 ~~or mold, or cybersecurity vulnerability~~. Upon such determination, the  
17 school board may, not later than the date provided in section 13-508,  
18 make and deliver to the county clerk of such county in which any part of  
19 the school district is situated an itemized estimate of the amounts  
20 necessary to be expended for such abatement project, any insurance  
21 proceeds or other anticipated funds that will be received by the school  
22 district related to the abatement project, the period of years for which  
23 the property tax will be levied for such project, and the estimated  
24 amount of the levy for each year of the period based on the taxable  
25 valuation of the district at the time of issuance. The period of years  
26 for such levy shall not exceed ten years and the levy for such project  
27 when combined with all other levies pursuant to this section and section  
28 79-10,110 shall not exceed three cents per one hundred dollars of taxable  
29 valuation. Nothing in this section shall affect levies pursuant to  
30 section 79-10,110.

31 (2) The county clerk shall levy such taxes and such taxes shall be

1 collected by the county treasurer at the same time and in the same manner  
2 as county taxes are collected and when collected shall be paid to the  
3 treasurer of the district. A separate abatement project account shall be  
4 established for each project by the school district. Taxes collected  
5 pursuant to this section shall be credited to the appropriate account to  
6 cover the project costs.

7 (3) For purposes of this section:

8 (a) Abatement includes, but is not limited to, any related audit,  
9 inspection, or ~~and~~ testing, any maintenance to reduce, lessen, put an end  
10 to, diminish, moderate, decrease, control, dispose of, eliminate, or  
11 remove the issue causing the need for abatement, any related restoration  
12 or replacement of material, ~~or~~ property, software, hardware, or data, any  
13 related architectural and engineering, information technology, or  
14 cybersecurity services, and any other action to reduce or eliminate the  
15 issue causing the need for abatement in existing school or administration  
16 buildings or on the ~~school~~ grounds of existing school or administration  
17 buildings under the board's control;

18 (b) Accessibility barrier means anything which impedes entry into,  
19 exit from, or use of any building or facility by all people; ~~and~~

20 (c) Cybersecurity vulnerability means any potential data compromise  
21 resulting from the loss, theft, disposal, abandonment, accidental  
22 publication, or accidental release of personally identifiable information  
23 or material in any media or format that is not publicly available,  
24 including, but not limited to:

25 (i) Data created by or provided to an elementary school, middle  
26 school, high school, or school district in the course of a student's  
27 attendance or application for attendance at an elementary school, middle  
28 school, or high school; and

29 (ii) Data created by or provided to an elementary school, middle  
30 school, high school, or school district in the course of an employee's  
31 employment or application for employment with the school district; and

1           (d) ~~(e)~~ Environmental hazard means any contamination of the air,  
2 water, or land surface or subsurface caused by any substance adversely  
3 affecting human health or safety if such substance has been declared  
4 hazardous by a federal or state statute, rule, or regulation.

5           (4) For the purpose of paying amounts necessary for the abatement  
6 project, the board may borrow money, establish a sinking fund, and issue  
7 bonds and other evidences of indebtedness of the district, which bonds  
8 and other evidences of indebtedness shall be secured by and payable from  
9 an irrevocable pledge by the district of amounts received in respect of  
10 the tax levy provided for by this section and any other funds of the  
11 district available therefor. Bonds and other evidences of indebtedness  
12 issued by a district pursuant to this subsection shall not constitute a  
13 general obligation of the district or be payable from any portion of its  
14 general fund levy. The total principal amount of bonds for abatement  
15 projects pursuant to this section shall not exceed the total amount  
16 specified in the itemized estimate described in subsection (1) of this  
17 section.

18           (5) A district may exceed the maximum levy of three cents per one  
19 hundred dollars of taxable valuation authorized by this section in any  
20 year in which (a) the taxable valuation of the district is lower than the  
21 taxable valuation in the year in which the district last issued bonds  
22 pursuant to this section and (b) such maximum levy is insufficient to  
23 meet the combined annual principal and interest obligations for all bonds  
24 issued pursuant to this section and section 79-10,110. The amount  
25 generated from a district's levy in excess of three cents per one hundred  
26 dollars of taxable valuation shall not exceed the combined annual  
27 principal and interest obligations for such bonds minus the amount  
28 generated by levying three cents per one hundred dollars of taxable  
29 valuation.

30           Sec. 2. Original section 79-10,110.02, Revised Statutes Cumulative  
31 Supplement, 2016, is repealed.