

LEGISLATURE OF NEBRASKA
ONE HUNDRED FOURTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 509

Introduced by Cook, 13.

Read first time January 21, 2015

Committee: Education

1 A BILL FOR AN ACT relating to the Tax Equity and Educational
2 Opportunities Support Act; to amend sections 79-1007.06, 79-1007.07,
3 and 79-1013, Reissue Revised Statutes of Nebraska; to change and
4 eliminate provisions relating to a poverty allowance; to harmonize
5 provisions; and to repeal the original sections.
6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 79-1007.06, Reissue Revised Statutes of Nebraska,
2 is amended to read:

3 79-1007.06 (1) For school fiscal year 2008-09 and each school fiscal
4 year thereafter, the department shall determine the poverty allowance for
5 each school district that meets the requirements of this section ~~and has~~
6 ~~not been disqualified pursuant to section 79-1007.07~~. Each school
7 district shall designate a maximum poverty allowance on a form prescribed
8 by the department on or before October 15 of the school fiscal year
9 immediately preceding the school fiscal year for which aid is being
10 calculated. The school district may decline to participate in the poverty
11 allowance by providing the department with a maximum poverty allowance of
12 zero dollars on such form on or before October 15 of the school fiscal
13 year immediately preceding the school fiscal year for which aid is being
14 calculated. Each school district designating a maximum poverty allowance
15 greater than zero dollars shall submit a poverty plan pursuant to section
16 79-1013.

17 (2) The poverty allowance for each school district ~~that has not been~~
18 ~~disqualified pursuant to section 79-1007.07~~ shall equal the lesser of:

19 (a) The maximum amount designated pursuant to subsection (1) of this
20 section by the school district in the local system, if such school
21 district designated a maximum amount, for the school fiscal year for
22 which aid is being calculated; or

23 (b) The sum of:

24 (i) The statewide average general fund operating expenditures per
25 formula student multiplied by 0.0375 then multiplied by the poverty
26 students comprising more than five percent and not more than ten percent
27 of the formula students in the school district; plus

28 (ii) The statewide average general fund operating expenditures per
29 formula student multiplied by 0.0750 then multiplied by the poverty
30 students comprising more than ten percent and not more than fifteen
31 percent of the formula students in the school district; plus

1 (iii) The statewide average general fund operating expenditures per
2 formula student multiplied by 0.1125 then multiplied by the poverty
3 students comprising more than fifteen percent and not more than twenty
4 percent of the formula students in the school district; plus

5 (iv) The statewide average general fund operating expenditures per
6 formula student multiplied by 0.1500 then multiplied by the poverty
7 students comprising more than twenty percent and not more than twenty-
8 five percent of the formula students in the school district; plus

9 (v) The statewide average general fund operating expenditures per
10 formula student multiplied by 0.1875 then multiplied by the poverty
11 students comprising more than twenty-five percent and not more than
12 thirty percent of the formula students in the school district; plus

13 (vi) The statewide average general fund operating expenditures per
14 formula student multiplied by 0.2250 then multiplied by the poverty
15 students comprising more than thirty percent of the formula students in
16 the school district.

17 Sec. 2. Section 79-1007.07, Reissue Revised Statutes of Nebraska, is
18 amended to read:

19 79-1007.07 (1)(a) The annual financial report required pursuant to
20 section 79-528 shall include:

21 (i) The amount of the poverty allowance used in the certification of
22 state aid pursuant to section 79-1022 for such school fiscal year;

23 (ii) The amount of federal funds received based on poverty as
24 defined by the federal program providing the funds;

25 (iii) The expenditures and sources of funding for each program
26 related to poverty with a narrative description of the program, the
27 method used to allocate money to the program and within the program, and
28 the program's relationship to the poverty plan submitted pursuant to
29 section 79-1013 for such school fiscal year;

30 (iv) The expenditures and sources of funding for support costs
31 directly attributable to implementing the district's poverty plan; and

1 (v) An explanation of how any required elements of the poverty plan
2 for such school fiscal year were met.

3 (b) The department shall set up accounting codes for the receipts
4 and expenditures required to be reported on the annual financial report
5 pursuant to this subsection.

6 (2) The department shall determine the poverty allowance
7 expenditures using the reported expenditures on the annual financial
8 report for the most recently available complete data year that would
9 include in the poverty allowance expenditures only those expenditures
10 that are not included in other allowances, that were used to specifically
11 address issues related to the education of students living in poverty or
12 to the implementation of the poverty plan, that do not replace
13 expenditures that would have occurred if the students involved in the
14 program did not live in poverty, and that are paid for with
15 noncategorical funds generated by state or local taxes or funds
16 distributed through the Tax Equity and Educational Opportunities Support
17 Act pursuant to the federal American Recovery and Reinvestment Act of
18 2009 or the federal Education Jobs Fund created pursuant to Public Law
19 111-226. The department shall establish a procedure to allow school
20 districts to receive preapproval for categories of expenditures that
21 could be included in poverty allowance expenditures.

22 (3) If the poverty allowance expenditures do not equal 105.26 ~~117.65~~
23 percent or more of the poverty allowance for the most recently available
24 complete data year, the department shall calculate a poverty allowance
25 correction. The poverty allowance correction shall equal the poverty
26 allowance minus ninety-five ~~eighty-five~~ percent of the poverty allowance
27 expenditures. ~~If the poverty allowance expenditures do not equal fifty~~
28 ~~percent or more of the allowance for such school fiscal year, the school~~
29 ~~district shall also be disqualified from receiving a poverty allowance~~
30 ~~for the school fiscal year for which aid is being calculated.~~

31 (4) If the department determines that the school district did not

1 meet the required elements of the poverty plan for the most recently
2 available complete data year, the department shall calculate a poverty
3 allowance correction equal to five ~~five~~ percent of the poverty allowance
4 for such school fiscal year ~~and the school district shall also be~~
5 ~~disqualified from receiving a poverty allowance for the school fiscal~~
6 ~~year for which aid is being calculated.~~ Any poverty allowance correction
7 calculated pursuant to this subsection shall be added to any poverty
8 allowance correction calculated pursuant to subsection (3) of this
9 section to arrive at the total poverty allowance correction.

10 (5) The department may request additional information from any
11 school district to assist with calculations and determinations pursuant
12 to this section. ~~If the school district does not provide information upon~~
13 ~~the request of the department pursuant to this section, the school~~
14 ~~district shall be disqualified from receiving a poverty allowance for the~~
15 ~~school fiscal year for which aid is being calculated.~~

16 (6) The department shall provide electronically an annual report to
17 the Legislature containing a general description of the expenditures and
18 funding sources for programs related to poverty statewide and specific
19 descriptions of the expenditures and funding sources for programs related
20 to poverty for each school district.

21 (7) The state board shall establish a procedure for appeal of
22 decisions of the department to the state board for a final determination.

23 Sec. 3. Section 79-1013, Reissue Revised Statutes of Nebraska, is
24 amended to read:

25 79-1013 (1) On or before October 15 of each year, each school
26 district designating a maximum poverty allowance greater than zero
27 dollars shall submit a poverty plan for the next school fiscal year to
28 the department and to the learning community coordinating council of any
29 learning community of which the school district is a member. On or before
30 the immediately following December 1, (a) the department shall approve or
31 disapprove such plan for school districts that are not members of a

1 learning community based on the inclusion of the elements required
2 pursuant to this section and (b) the learning community coordinating
3 council and, as to the applicable portions thereof, each achievement
4 subcouncil, shall approve or disapprove such plan for school districts
5 that are members of such learning community based on the inclusion of
6 such elements. On or before the immediately following December 5, each
7 learning community coordinating council shall certify to the department
8 the approval or disapproval of the poverty plan for each member school
9 district.

10 (2) In order to be approved pursuant to this section, a poverty plan
11 shall include an explanation of how the school district will address the
12 following issues for such school fiscal year:

13 (a) Attendance, including absence followup and transportation for
14 students qualifying for free or reduced-price lunches who reside more
15 than two miles ~~one mile~~ from the attendance center;

16 (b) Student mobility, including transportation to allow a student to
17 continue attendance at the same school if the student moves to another
18 attendance area within the same school district or within the same
19 learning community;

20 (c) Parental involvement at the school-building level with a focus
21 on the involvement of parents in poverty and from other diverse
22 backgrounds;

23 (d) Parental involvement at the school-district level with a focus
24 on the involvement of parents in poverty and from other diverse
25 backgrounds;

26 (e) Class size reduction or maintenance of small class sizes in
27 elementary grades;

28 (f) Scheduled teaching time on a weekly basis that will be free from
29 interruptions;

30 (g) Access to early childhood education programs for children in
31 poverty;

1 (h) Student access to social workers;

2 (i) Access to summer school, extended-school-day programs, or
3 extended-school-year programs;

4 (j) Mentoring for new and newly reassigned teachers;

5 (k) Professional development for teachers and administrators,
6 focused on addressing the educational needs of students in poverty and
7 students from other diverse backgrounds;

8 (l) Coordination with elementary learning centers if the school
9 district is a member of a learning community; and

10 (m) An evaluation to determine the effectiveness of the elements of
11 the poverty plan.

12 (3) The state board shall establish a procedure for appeal of
13 decisions of the department and of learning community coordinating
14 councils to the state board for a final determination.

15 Sec. 4. Original sections 79-1007.06, 79-1007.07, and 79-1013,
16 Reissue Revised Statutes of Nebraska, are repealed.