

LEGISLATIVE BILL 929

Approved by the Governor April 16, 1986

Introduced by Government, Military & Veterans Affairs
Committee, Landis, 46, Chairperson;
Withem, 14; Rogers, 41; Peterson, 21;
Hoagland, 6; Chambers, 11; Abboud, 12

AN ACT relating to governmental funds; to amend sections 43-648 and 79-4,160, Reissue Revised Statutes of Nebraska, 1943, sections 77-27,137.01 and 79-1333, Revised Statutes Supplement, 1984, and section 77-27,137, Revised Statutes Supplement, 1985; to provide duties for the State Treasurer and the Director of Administrative Services; to change provisions relating to the distribution of certain funds; to delete obsolete language; and to repeal the original sections.

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

Section 1. That section 43-648, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

43-648. Effective July 1, 1976, the State Department of Education shall reimburse each school district for ninety per cent of the allowable excess cost of the preceding year's special education programs, as defined in section 43-645. The payments shall be made by the State Department of Education to the resident school district in seven as nearly as possible equal monthly payments between the fifth and twentieth day of each month beginning December 1976 and each December thereafter. The State Treasurer shall, between the fifth and twentieth day of each month, notify the Director of Administrative Services of the amount of funds available in the General Fund for payment purposes. The Director of Administrative Services shall, upon receiving such certification, draw warrants against funds appropriated.

Sec. 2. That section 77-27,137, Revised Statutes Supplement, 1985, be amended to read as follows:

77-27,137. The appropriation provided for in section 77-27,136 for aid to counties shall be distributed to the various county treasurers of the state on the basis of the ratio of the total amount of

property taxes levied by the particular county for county purposes to the total amount of property taxes levied by all counties for county purposes based on the amounts stated in the most recent certificate of taxes levied statement submitted by each county to the Tax Commissioner pursuant to section 77-628.

The Tax Commissioner shall determine the amount to be distributed to the various counties and certify such amounts by voucher to the Director of Administrative Services. Each amount shall be distributed in seven as nearly as possible equal monthly payments on the last business day of each month beginning in December. The State Treasurer shall, on the business day preceding the last business between the fifth and twentieth day of each month, notify the Director of Administrative Services of the amount of funds available in the General Fund for payment purposes. The Director of Administrative Services shall, on the last business day of each month, draw warrants against funds appropriated. The proceeds of the governmental subdivision payments received by the various county treasurers shall be credited to the general fund of the county.

Sec. 3. That section 77-27,137.01, Revised Statutes Supplement, 1984, be amended to read as follows:

77-27,137.01. The appropriation provided for in section 77-27,136 for aid to incorporated municipalities shall be allocated by the Tax Commissioner to the various incorporated municipalities. The Tax Commissioner shall determine the amount to be distributed to the incorporated municipalities and certify such amounts by voucher to the Director of Administrative Services. Each amount shall be distributed ~~(1) for fiscal year 1982-83 in seven as nearly as possible equal monthly payments between the fifth and twentieth day of each month beginning December 1982, and (2) for fiscal year 1983-84 and each fiscal year thereafter~~ in seven as nearly as possible equal monthly payments on the last business day of each month beginning December 1983, and each December thereafter. The State Treasurer shall, on the business day preceding the last business between the fifth and twentieth day of each month, notify the Director of Administrative Services of the amount of funds available in the General Fund for payment purposes. The Director of Administrative Services shall, on the last business day of each month, draw warrants against funds appropriated. The Tax Commissioner shall compute the amount due the

incorporated municipalities on the ratio of the population of the particular incorporated municipality to the total population of all incorporated municipalities in the state as determined by the latest federal census, which amounts shall be placed in the general fund of such municipalities.

Sec. 4. That section 79-4,160, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

79-4,160. In addition to any funds which may be appropriated for the school foundation and equalization payments, there may be other funds appropriated to the State Department of Education to be distributed such that every district in the state receives the same amount of funds per unit of average daily membership as every other district, which distribution shall be based upon average daily membership as defined by the State Department of Education for the regular school year. The distributions shall be based upon average daily membership for the previous school year. The State Department of Education shall determine the amount to be distributed to the various school districts and certify such amounts by voucher to the Director of Administrative Services. Each amount shall be distributed in ~~ten~~ nine as nearly as possible equal monthly payments; on the last business day of each month beginning in September 1976, October 1986 and each September October thereafter. The State Treasurer shall, on the business day preceding the last business day between the fifth and twentieth day of each month, notify the Director of Administrative Services of the amount of funds available in the General Fund for payment purposes. The Director of Administrative Services shall, upon receipt of such notification and voucher, draw warrants against funds appropriated.

Sec. 5. That section 79-1333, Revised Statutes Supplement, 1984, be amended to read as follows:

79-1333. (1) Commencing with school year 1980-81 all state financial assistance to districts pursuant to sections 79-1330 to 79-1344 shall be based upon the annual financial reports for the 1978-79 school year of such districts as required by section 79-451 and the fall school district membership report for the 1979-80 school year required by section 79-1333.02. Financial assistance for the 1981-82 school year and each school year thereafter shall be based upon the second preceding school year's annual financial report

and the preceding school year's fall school district membership report. The State Department of Education shall determine the amount to be distributed to the various school districts and certify such amounts to the Director of Administrative Services. Each amount shall be distributed (a) for fiscal year 1982-83 in nine as nearly as possible equal monthly payments, beginning in October 1982, for the continuation of the ninety-five million dollars appropriated for state aid; (b) for fiscal year 1982-83 in seven as nearly as possible equal monthly payments beginning in December 1982, for any additional amounts appropriated by Legislative Bill 816A, Eighty-seventh Legislature, Second Session, 1982; and (c) for fiscal year 1983-84 and each fiscal year thereafter in nine as nearly as possible equal monthly payments on the last business day of each month, beginning in October 1983, and each October thereafter, except that a school district may apply for early payment as provided in subsection (2) of this section. The State Treasurer shall, on the business day preceding the last business between the fifth and twentieth day of each month, notify the Director of Administrative Services of the amount of funds available in the General Fund for payment purposes. The Director of Administrative Services shall, on the last business day of each month, draw warrants against funds appropriated. The annual financial reports shall be submitted to the State Board of Education by Class I and II school districts on or before the first day of October of each year; and by Class III, IV, V, and VI school districts on or before the first day of November of each year. When any Class I or II school district fails to submit its report by the first day of October, any state assistance granted pursuant to sections 79-1330 to 79-1344 shall be based on the amount granted for the previous fiscal year, and shall be reduced by ten per cent of that amount, and when any such district fails to submit its report by the first day of November, it shall forfeit all assistance pursuant to sections 79-1330 to 79-1344 for that year. When any Class III, IV, V, or VI school district fails to submit its report by the first day of November, any state assistance granted pursuant to sections 79-1330 to 79-1344 shall be based on the amount granted for the previous fiscal year, and shall be reduced by ten per cent of that amount, and when any such district fails to submit its report by the fifteenth day of November, it shall forfeit all assistance pursuant to sections 79-1330 to 79-1344 for that year.

(2) A school district which receives federal funds in excess of twenty-five per cent of its current operations budget may apply for early payment of state financial assistance paid pursuant to sections 79-1330 to 79-1344 when such federal funds are not received in a timely manner. Such application may be made at any time by a school district suffering such financial hardship and may be for any amount up to fifty per cent of the remaining amount to which the district is entitled during the current fiscal year. The State Board of Education may grant the entire amount applied for or any portion of such amount if, after a hearing, the board finds that a financial hardship exists in the district. The board shall notify the Director of Administrative Services of the amount of funds to be paid in lump sum and the new reduced amount of the monthly payments. The Director of Administrative Services shall, within five days after such notification, draw a warrant for the lump-sum amount from appropriated funds and forward such warrant to the district. As used in this subsection, financial hardship shall mean a situation in which income to a district is exceeded by liabilities to such a degree that if early payment is not received it will be necessary for the district to discontinue vital services or functions.

Sec. 6. That original sections 43-648 and 79-4,160, Reissue Revised Statutes of Nebraska, 1943, sections 77-27,137.01 and 79-1333, Revised Statutes Supplement, 1984, and section 77-27,137, Revised Statutes Supplement, 1985, are repealed.