

Nebraska Council of School Administrators
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Final Legislative Report

First Session, 96th Legislature

June 16, 1999

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I. Session Overview

Property Tax Relief

At the start of the 1999 Legislative Session, there was still lingering talk in the halls of the State Capitol about the failed Initiative 413 to cap state and local spending. While most state legislators opposed the measure, a few senators supported the constitutional amendment and vowed to carry forth its mission via the passage of legislative measures. This did not materialize, but the spirit of 413 did transcend into other legislative proposals supported by 413 backers. One of these proposals, LB 562, would have derailed the current schedule to decrease the schools' maximum levy from \$1.10 to \$1.00. However, in a move to re-affirm the direction cast by LB 1114 (1996), the Revenue Committee killed the measure in committee.

The discussion over levy caps versus a new direction to achieve property tax relief did reach the floor of the Legislature, but the vehicle which initiated the discussion was less than favorable to the new Governor. The vehicle was LB 149 and the outcome of the debate was a re-affirmation of support for the direction charted by legislators in 1996 (i.e., property tax relief will be achieved through levy limits and shifts of state funds to political subdivisions).

LB 149, which guarantees additional state aid to schools when the the levy limit drops to \$1.00, was passed by the Legislature and then vetoed by the Governor. The Legislature then voted to override the veto by an overwhelming margin.

At one point in the session, the Governor had lost on two important objectives in his first state legislative agenda. LB 149 had become law in spite of his veto and LB 562 was killed in committee. However, he did have one other objective still afloat, but just barely.

LB 881 had been introduced on behalf of the Governor with the intent to provide real property owners with a rebate check based on a percentage of the property taxes paid each year. The plan was not cheap, neither to fund nor administer. The Governor wanted approximately \$125 million each year to be set aside in order to allocate as rebate funds and an another \$5 million to administer the program.

While the original plan proposed under LB 881 was unacceptable to the Revenue Committee, there was still hope for compromise. In fact, a compromise was reached and the Governor ultimately met limited success in his goal for more property tax relief. But the final version of LB 881 was a far cry from the original. The idea of a rebate program was replaced by a tax credit and the state appropriation dropped from the proposed \$125 million to \$35 million per year. The proposal also shifted more funds for state aid to community colleges and set aside \$35 million for K-12 state aid when the levy decreases to \$1.00.

Educational Service Units

It was a busy legislative session for ESUs. The result was both good and bad news.

Session Overview - continued

ESUs received an annual appropriation of \$3 million for technology infrastructure through LB 386. The funds are designed to replace the half cent levy authority for the same purpose. However, on the negative side, the Governor line-item vetoed a portion of the mainline budget bill, LB 880, which provided an annual growth rate to the state appropriation for ESU core services.

Under LB 1110 (1998), ESUs were to receive a base amount of \$9.7 million annually to offset the cost of providing core services to member districts. Attached to the annual appropriation was an automatic growth increase of 2.5%. Therefore, under the original plan created in 1998, ESUs would have had a total appropriation of \$9,942,500 for FY1999-00 and \$10,191,062 for FY2000-01. The Governor's line-item veto under LB 880 eliminated that portion of the budget bill which permitted the annual 2.5% increase. The result of this action will be substantial for ESUs. While the cost of providing core services to ESUs will logically increase over time, the annual appropriation will remain the same: \$9.7 million per year.

In a letter to state legislators, Governor Johanns said he supported the concept of state aid to ESUs for core services. However, he went on to say that "automatic increases establish a dangerous precedent and are an unwise abdication of budgetary discretion."

Public Employment Process

After five years of struggle, the law is finally changed with regard to job application materials for public positions. Ever since the Attorney General issued an opinion in 1995 which interpreted all job materials as public records, NCSA has been at work to change the law. This year we met with success.

LB 137, introduced by Senator Bohlke, provides that job application materials submitted to a governing body are confidential so long as the applicant does not become a finalist for the position desired. The legislation defines finalist as that person who is offered AND who accepts an interview for the position.

LB 137 was the result of a compromise between NCSA and various media groups that sought to protect the right of free press. Our concern was the protection of the public employment process. Both sides had to compromise to reach a workable solution.

Miscellaneous Issues

In yet another move to encourage more voters to vote, the Legislature passed LB 571 which strips away old requirements that voters specify a permissible reason for requesting an absentee ballot. Now voters simply contact their county election officer and request an absentee ballot.

Under LB 134, also passed into law, a new adoptive parent has the same right to a leave of absence as a biological parent. If the employer provides paid leave for maternity, it must also provide paid leave for the adoptive parent.

Session Overview - *continued*

To address the expanding role of the Property Tax Administrator, the Legislature passed LB 36 which separates the property tax division from the Department of Revenue and creates a new state agency: the Department of Property Assessment and Taxation.

School districts may not have to hire architects quite as frequently under a new law which increases the threshold requirement. Under old law, a school district had to hire an architect whenever a construction project cost \$40,000 or more. Under LB 253 the threshold is raised to \$80,000 or more.

Retirement

NCSA joined forces with NSEA to push through major enhancement legislation for the School Employees Retirement System. LB 674 increases the factor multiplier from 1.8 to 1.9, provides an annual COLA for current and future retirees based on the CPI, not to exceed 2% per year, and provides a purchasing power adjustment for retirees.

NCSA and NSEA also unveiled a Five-Year Plan for future plan enhancements that include raising the factor multiplier to 2.0, increasing the COLA cap to 3%, and paying part or all of a retiree's health insurance. NCSA will oppose any legislative effort to decrease the current member contribution rate until the proposed enhancements have been realized.

Another important retirement bill passed this year was LB 538. The legislation defines substitute teachers and expressly prohibits substitute teachers to be classified as members of the retirement system. The new law also impacts the concept of "leased employees" by stating that retirees who lease their services to a school district will be considered an employee of the district. In such cases the employee will be required to contribute to the retirement system.

Special education

The area of special education was favorably impacted by the 1999 Legislative Session. LB 314 provides hardship loans to certain school districts for unexpected special education costs, and LB 548 may funnel up to \$10 million in Medicaid Funds to school districts and ESUs administrative outreach services not reimbursed under MIPS.

Student Assessment

At the close of the 1998 Session, the issue of assessment seemed to be resolved. LB 1228 (1998) required a statewide assessment program (test and reporting) to be implemented by the Fall of 2000. However, at the close of the 1999 Session the issue seems far from resolved.

With the passage of LB 144, the current requirement for a statewide test is still "on-line" for the Fall of 2000. However, there will another legislative session between now and then, and the

Session Overview - *continued*

assessment issue will likely be re-addressed. The focus of the debate partially falls on whether there should be one test administered by the state or whether districts should be allowed to utilize their own chosen testing instrument.

Student Discipline

With the passage of LB 195, a school board will have the authority to refuse an application for enrollment if the student is currently under expulsion in his/her home school district, whether or not that home district is in Nebraska. The new law also allows a district to place a condition on enrollment by stipulating that the student attend an alternative educational program or class.

However, for the 1999 Session it was not the bill that became law but the bill did not become law that generated the most discussion. LB 758, held in committee, was introduced by Senator Landis and would permit a teacher to unilaterally “exclude” a student from his/her classroom for up to five days. The legislation also requires administrators to place in the hands of teachers any student file of any student who has known behavioral problems, criminal record, etc. The bill was opposed by NCSA and supported by NSEA. This measure will carry-over to the next session.

II. Passed/Overriding Veto

On March 22, 1999, the Legislature voted to override Governor Johanns' veto of LB 149e. This legislation not only recertifies the 1999-2000 state aid, but also ensures adequate state aid for future years when the levy authority decreases to \$1.00.

LB 149e	<i>Subject:</i> State Aid	<i>Introduced by:</i> Education Com.	<i>Committee:</i> Education	<i>Effective:</i> 3/23/99
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A. State Aid.

1. Certification.

- a. **Respin:** State aid for 1999-2000 will be recertified on or before April 1, 1999.
- b. **Future Certification:** State aid will be certified on or before February 1st beginning with the 2000-01 certification.

2. **Data to be Used:** LB 149e removes all references to 3-year averaging of data. The new method of calculation will use the second school fiscal year immediately preceding the school fiscal year in which aid is to be paid.

3. **Local Effort Rate:** The Local Effort Rate (LER) is set a 10¢ below the maximum levy authority to determine the dollar amount needed to fund the Tax Equity and Educational Opportunities Support Act.

- i. The LER for 1999-2000 and 2000-2001 is \$1.00.
- ii. The LER for 2001-2002 and each year thereafter is 90¢ (assuming the maximum levy authority is permitted to decrease to \$1.00 as currently prescribed in statute).

a. **Balancer:** The dollar amount appropriated becomes the "balancer" in the certification of state aid.

b. **Respin:** During the respin of the current year's state aid, the LER will be allowed to "float". The LER is the "balancer" in the respin of the current year's state aid.

4. **Audit Reports:** LB 149e provides that audit reports must be filed on or before November 1st. This provision becomes effective for the audit report submitted for school fiscal year 1998-99 (November 1, 1999).

B. Budget Process.

1. FY1999-2000.

a. **Budget Factors:** Budgeting Factors for all districts will be recertified on or before April 1, 1999. The information recertified in April, 1999 will be used in the 1999-2000 budgeting process.

b. Class I Budget Authority.

- i. Class I budget authority will be recertified on or before April 1, 1999.
- ii. Class VI primary high school districts shall certify Class I Budget Authority on or before April 5, 1999.
- iii. Class I districts must make requests for additional budget authority prior to April 10, 1999 to all of its high school providers.
- iv. High school providers must act on requests for additional budget authority by May 10, 1999.
- v. All primary Class VI and high school districts must certify to NDE and all other affected districts the approved total general fund budget of expenditures.
- vi. Certification must be complete on or before May 20, 1999.

2. FY2000-2001 and Beyond.

a. Designation: The primary high school district designation will be certified on or before February 1st.

b. Budget Factors: Budgeting Factors for all districts will be certified on or before February 1st, including: (i) Applicable Allowable Growth Rate (2.5% to 4.5%); (ii) Allowable Reserve Percentage; and (iii) Adjustments to Projected Formula Student Increase.

c. Class I Budget Authority.

- i. Class VI primary high school districts will certify Class I Budget Authority on or before March 1st.
- ii. NDE will certify Class I Budget Authority on or before February 1st.
- iii. Class I districts must make requests for additional budget authority on or before March 10th to all of its high school providers.
- iv. High school providers must act on request for additional budget authority by April 10th.
- v. All primary high school districts and Class VIs must certify to NDE and all other affected districts the approved total general fund budget of expenditures.
- vi. Certification must be complete on or before April 20th.

III. Passed/Signed into Law

The following measures were passed by the Legislature and signed into law by the Governor. The effective (operative) date for each new law is also provided.

A. Certification

	<i>Subject:</i>	<i>Introduced by:</i>	<i>Committee:</i>	<i>Effective:</i>
LB 475	American Indian Language	Bohlke	Health	8/28/99

Waiver of Certificate: LB 475 was amended to include the contents of LB 810 which allows a person to teach American Indian languages without having a teaching degree. Each tribe would develop a written and an oral test that a person would have to successfully complete in order to be approved to teach their particular tribe’s native language. The tests would be administered at a community or state college. School districts and postsecondary institutions are authorized to employ approved American Indian language teachers to teach their native language.

B. County Superintendents

	<i>Subject:</i>	<i>Introduced by:</i>	<i>Committee:</i>	<i>Effective:</i>
LB 272	Elimination of Office	Stuhr	Education	8/28/99

LB 272 eliminates the office of county superintendent of public instruction and replaces it with an optional office of county school administrator. Existing duties are eliminated or transferred, except that some duties may be continued by the county school administrator. Most of the duties are transferred to county clerks, county treasurers, and school district officials. This measure is essentially the same as LB 1217 from 1998. LB 1217 was not passed into law.

- 1. Elimination of Office:** LB 272 eliminates the office of the county superintendent by July 1, 2000. Prohibits counties from discontinuing the elected office of the county superintendent prior to June 30, 2000.
- 2. Records:** Records in the office of county superintendent will be transferred to the county clerk.
- 3. County School Administrator:** The old office is replaced with the optional office of county school administrator. County board may contract with qualified individual to continue functions of county school administrator.
- 4. Reorganization Committees:** County reorganization committees are repealed.
 - i. State reorganization committee is assigned the duties and responsibilities of the former county reorganization committee in the reorganization/unification process.
 - ii. The State Board of Education is authorized to adopt rules and regulations for the State Reorganization Committee.

- 5. Transfer of Duties:** Additional responsibilities for school district superintendents:
- i. Certificates allowing an individual under age 16 to work will be filed with school superintendents effective September, 1999.
 - ii. Superintendent will receive list of students enrolled in public, private, denominational, or parochial schools effective September, 1999.
 - iii. Superintendent will compare list to census information for compulsory attendance requirements.
 - iv. Teachers and administrators will register certificates with superintendents of school district.
 - v. Superintendent will have the authority to endorse certificates.
 - vi. Superintendent of a primary high school district will be responsible for receiving application for work permit for individual aged 14 to 16.

C. Educational Service Units

LB 287	<i>Subject:</i> Tax Funds	<i>Introduced by:</i> Wickersham	<i>Committee:</i> Revenue	<i>Effective:</i> 8/28/99
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- 1. **Old Law:** Under former law, only municipalities and school districts were entitled to receive, on or before the 15th day of each month, the tax funds collected by the county treasurer from the previous month.
- 2. **New Law:** LB 287 expands the list of applicable political subdivisions to include educational service units. The legislation also amends appropriate statutes concerning ESUs to harmonize with the new law.

LB 363	<i>Subject:</i> Core Services	<i>Introduced by:</i> Hartnett	<i>Committee:</i> Education	<i>Effective:</i> 8/28/99
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- 1. **Old Requirement:** Under former law, ESUs could only spend property tax receipts for purposes approved by 2/3s of the member districts, which must also represent a majority of the students.
- 2. **New Requirement:** LB 363 does not disturb the old requirement, but instead adds another requirement concerning ESU core services. The legislation provides that each ESU must prepare and transmit a written proposal of core services offerings and use of the ESU property tax levy to all member school districts.
 - a. **Approving the Proposal:** The member school districts through their designated representatives must then indicate their approval or disapproval of the proposal within 30 calendar days after receipt of the proposal.
 - b. **Failure to Respond:** A member school district's failure to respond within 30 calendar days will be deemed approval of the proposal.

LB 386	Subject:	Introduced by:	Committee:	Effective:
	Technology Infrastructure	Bohlke	Education	8/28/99

1. **Half-Cent Levy:** LB 386 repeals the language allowing an educational service unit to assess a half cent tax rate for telecomputing.
2. **New Funds:** LB 386 appropriates \$3 million for FY1999-00 for use by ESUs for "technology infrastructure." For each fiscal year thereafter, the Legislature must appropriate the amount appropriated in the prior year increased by the percentage growth in the fall membership of member districts plus the basic allowable growth rate. The funds would be distributed among ESUs.

3. Definitions.

a. Technical Training: Means training to equip educators with knowledge about the skills and tools necessary to infuse technological resources and software applications into the curriculum to be used in classrooms by students and includes, but is not limited to:

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| i. computer workstation troubleshooting, | v. local area network management, |
| ii. distance education, | vi. multimedia presentation tools, and |
| iii. educational software, | vii. strategic planning. |
| iv. Internet resources, | |

b. Technology: Includes technical training and technology infrastructure.

c. Technology Infrastructure: Means hardware-related items necessary for schools to interact electronically throughout the state, including, but not limited to:

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| i. physical connections, | ii. wiring, | iii. servers, |
| iv. routers, | v. switches, | vi. domain name service, and |
| vii. operating systems/human resources necessary to maintain infrastructure, including systems engineers, programmers, webmasters, and help desk staff. | | |

LB 880e	Subject:	Introduced by:	Committee:	Effective:
	Mainline Budget Bill	Kristensen	Appropriations	7/1/99

On Tuesday, May 18th, the Governor formally announced his intention to line-item veto several provisions of the state's main budget bill, LB 880e. One of these line-item vetoes, which was sustained by the Legislature, concerned ESUs.

Under LB 1110 (1998), ESUs were to receive a base amount of \$9.7 million annually to offset the cost of providing core services to member districts. Attached to the annual appropriation was an automatic growth increase of 2.5%. Therefore, under the original plan created in 1998, ESUs would have had a total appropriation of \$9,942,500 for FY1999-00 and \$10,191,062 for FY2000-01. The Governor's line-item veto under LB 880e eliminated that portion of the budget bill which permitted the annual 2.5% increase. The result of this action will be substantial for ESUs. While the cost of providing core services to ESUs will logically increase over time, the annual appropriation will remain the same: \$9.7 million per year.

In a letter to state legislators, Governor Johanns said he supported the concept of state aid to ESUs for core services. However, he went on to say that "automatic increases establish a dangerous precedent and are an unwise abdication of budgetary discretion."

D. Elections

LB 571	<i>Subject:</i> Absentee/Write-in	<i>Introduced by:</i> Government Com.	<i>Committee:</i> Government	<i>Effective:</i> 8/28/99
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1. **Absentee Ballots:** LB 571 would remove the reasons listed in current statute for requesting an absentee ballot and only requires that a voter make a request for an absentee ballot.
2. **Write-in Ballots:** The legislation also provides that write-in ballots need not be counted when there is not an active write-in campaign for a particular person.

Exception: The exception to this rule is for elections involving village board of trustees, township officers, or members of a school board for Class I or II school districts.

E. Employment Issues

LB 134	<i>Subject:</i> Adoptive Parent Leave	<i>Introduced by:</i> Dw. Pedersen	<i>Committee:</i> Judiciary	<i>Effective:</i> 8/28/99
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1. **New Rule for Leave of Absence:** In any case where an employer permits an employee to take a leave of absence upon the birth of the employee's child, the same rule will apply to an adoptive parent. In such cases, the adoptive parent is entitled to the same leave of absence following the "commencement of the parent-child relationship". The term "employer" includes governmental agencies.
 - a. **Definition:** Under LB 134, "commencement of the parent-child relationship" means when the child is "placed" with the employee for the purposes of adoption.
 - b. **Exceptions to Rule:** The adoptive parent leave of absence is not required if:
 - i. the child being adopted is a special needs child over 18 years of age;
 - ii. the child is "over 8 years of age" AND is not a "special needs" child;
 - iii. the child is a stepchild being adopted by his or her stepparent;
 - iv. the child is a foster child being adopted by his or her foster parent; or
 - v. the child was originally under a voluntary placement for purposes other than adoption without assistance from an attorney, physician, or other individual or agency which later results in a petition for the adoption of the child by the person with whom the voluntary placement was made.
2. **Equitable Relief, Damages, Attorney's Fees:** Whenever an employer, including a governmental agency, refuses to extend a child-care leave of absence to an adoptive parent in violation of LB 134, an aggrieved adoptive parent may bring an action for equitable relief and damages. In all actions, reasonable attorney's fees, as determined by the court, will be awarded to the prevailing party if the prevailing party is the adoptive parent.

LB 137	Subject: Job Application Materials	Introduced by: Bohlke	Committee: Government	Effective: 8/28/99
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- 1. Old Law:** A 1994 Attorney General opinion stated that job applications submitted to a public governing body are considered public records. This opinion was re-enforced by recent court cases. Job application materials would be open to the public whether or not the applicant becomes a finalist for a public position.
- 2. New Law:** LB 137 makes confidential job application materials submitted by applicants for public positions unless the applicant becomes a finalist for the public position.
 - a. Finalist:** Defined as any applicant who is offered and who accepts an interview by a public body or its agents, representatives, or consultants for any public employment position.
 - b. Job Application Materials:** Include employment applications, resumes, reference letters, and school transcripts.

F. Home Schools

LB 268	Subject: Statement of Application	Introduced by: Bohlke	Committee: Education	Effective: 8/28/99
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- 1. Old law:** Under former law, the parents or guardians of children attending home schools were required to sign a statement that the requirements for approval and accreditation violate the sincerely held religious beliefs of the parents or guardians. The "religious belief" statement was the only option expressly provided in state law.
- 2. New Law:** LB 268 allows parents or guardians whose children attend home schools to choose between (i) the "religious belief" statement or (ii) a statement that the requirements for approval and accreditation interfere with the decisions of the parents or guardians in directing their child's education. *Immunization:* If the parents or guardians indicate non-religious reasons for their child attending a home school, the immunization requirements in state law would apply.

G. Motor Vehicle Tax

LB 142e	Subject: Distribution of Taxes	Introduced by: Revenue Com.	Committee: Revenue	Effective: 5/26/99
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- 1. Intent:** LB 142e is designed to implement that part of Amendment 2, approved by the voters in the last General Election, which called for a change in the distribution of motor vehicle taxes.
- 2. Current Law:** Currently, the motor vehicle tax is allocated to all taxing units levying property taxes in the same proportion that the levy of such taxing unit bears to the total levy on taxable property of all taxing units.

- 3. New Distribution:** Under LB 142e, the distribution would be changed so that only the following taxing units receive the motor vehicle tax:
- i. Schools (60%),
 - ii. Counties (22%),
 - iii. Cities/Villages (18% each),
 - iv. Counties containing a city of the metropolitan class (18%), and
 - v. Metropolitan Cities (22%).

Fund Distribution: LB 142e provides that until July 1, 2000, the amount allocated to each school district will be further allocated to each individual fund for which property taxes were levied in the same proportion that the levy of the fund bore to the total levy on taxable property of the school district in tax year 1998.

- 4. Impact:** Based on information received from the Department of Motor Vehicles, it is estimated that this bill could have the following impacts on local subdivisions:
- i. Schools (\$1,124,606)
 - ii. Counties \$7,523,131
 - iii. Cities & villages \$6,972,545

H. Political Subdivision Self-Funding Benefits Act

LB 506	<i>Subject:</i> Dental and Disability	<i>Introduced by:</i> Wehrbein	<i>Committee:</i> Government	<i>Effective:</i> 8/28/99
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- 1. Background:** The Political Subdivision Self-Funding Benefits Act provides that local governments may provide hospitalization, medical, surgical, and sickness and accident coverage for their employees and dependents through self-funding in combination with excess insurance.
- 2. Intent:** LB 506 would add dental and disability to the current list of possible coverage.

I. Property Tax Assessment

LB 36e	<i>Subject:</i> New State Agency	<i>Introduced by:</i> Wickersham	<i>Committee:</i> Revenue	<i>Effective:</i> 5/21/99
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- 1. Background:** The Property Tax Administrator (PTA) position was created in 1995 (LB 490) and the PTA was placed in charge of the Property Tax Division. Since that time, the division has been operating as virtually a separate agency. In a similar bill last year (LB 1174), the division estimated it would need additional funding if it was separated from the Department of Revenue. The division now believes that it should have sufficient resources to function as a separate agency without additional funding.

Passed/Signed into Law: LB 36e - continued

2. **New Agency:** LB 36e eliminates the Property Tax Division of the Department of Revenue and creates the Department of Property Assessment and Taxation.
 - a. **CEO:** The Property Tax Administrator is the CEO of the agency.
 - b. **Effective Date:** LB 36e would be operative on July 1, 2000.

LB 194e	<i>Subject:</i> Assessment Procedures	<i>Introduced by:</i> Revenue Com.	<i>Committee:</i> Revenue	<i>Effective:</i> 4/29/99
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LB 194e contains both technical and substantive changes to laws related to property tax assessment and other revenue matters. A selective analysis of various provisions of the bill is provided below.

1. **Clerical Errors:** LB 194e provides a new section of law to define "clerical error" as it relates to taxation. Under the bill, "clerical error" means:
 - i. transposition of numbers,
 - ii. mathematical error,
 - iii. computer malfunction causing programming and printing errors,
 - iv. data entry error,
 - v. items of real property other than land identified on the wrong parcel,
 - vi. incorrect ownership, or
 - vii. certification of an incorrect valuation to political subdivisions.
2. **Correction of Assessment Roll and Tax List:** LB 194e provides that after July 25th of each year the county assessor, with approval of the county board of equalization, must correct the assessment roll and the tax list, if necessary, in the case of a clerical error that results in a change in the value of the real property. Clerical errors that do not result in a change of value on the assessment roll may be corrected at any time by the assessor.
3. **Assessment of Real Property:** LB 194e changes the date by which the county assessor must complete the assessment of real property from April 1st to March 20th of each year.
4. **Certification of County Assessors:** Under current law, the Property Tax Administrator is required to produce various manuals and guidelines to assist county assessors carry-out their duties. LB 194e dramatically changes current law to require all county assessors and deputy assessors to be educated and certified by the Property Tax Administrator.
 - a. **Educational Courses, Standards and Criteria:** The Property Tax Administrator must establish, implement, and maintain a required system of educational courses for the certification and recertification for all county assessors. The Administrator must also establish, through rule and regulation, the required educational standards and criteria for certification and recertification.
 - b. **Certificate Revocation or Suspension:** The Property Tax Administrator may invalidate the certificate of any assessor or deputy assessor who willfully fails or refuses to diligently perform his/her duties concerning the assessment of property and the duties of each assessor and deputy assessor.

c. Procedure for Revocation/Suspension.

- (1) First Hearing: No certificate may be revoked or suspended until a hearing is held before the Property Tax Administrator.
- (2) Probationary Period: Prior to revocation, a one-year probationary period will be imposed, subject to oversight by the Property Tax Administrator. If during the probationary period, the assessor continues to willfully fail or refuse to diligently perform his or her duties, the Property Tax Administrator may immediately hold the second hearing.
- (3) Second Hearing: At the end of the one-year probationary period, a second hearing must be held. If assessment practices have improved, the probationary period will end and no revocation will be made. If assessment practices have not improved, the assessor certificate will be revoked.
- (4) Removal from Office: If the county assessor certificate of a person serving as assessor or deputy assessor is revoked, the person will be removed from office by the Property Tax Administrator, the office will be declared vacant, and the person will not be eligible to hold that office for a period of five years after the date of removal.
- (5) Appeal: Any assessor whose county assessor certificate has been revoked may appeal the decision of the Property Tax Administrator, and the appeal shall be in accordance with the Tax Equalization and Review Commission Act.

J. Property Tax Credit

LB 881e	<i>Subject:</i> Property Tax Credit	<i>Introduced by:</i> Kristensen	<i>Committee:</i> Revenue	<i>Effective:</i> 5/27/99
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LB 881e contains three major objectives: (1) provide a property tax credit program; (2) provide additional state aid to community colleges; and (3) set aside funds for state aid to schools when the maximum levy drops to \$1.00 in 2001.

- 1. Tax Credit Program:** LB 881e creates the Relief to Property Taxpayers Act with the intent to provide property tax relief in the form of a tax credit.
 - a. Cash Fund:** The new law creates the Relief to Property Taxpayers Cash Fund and appropriates \$35 million in initial funds to the cash fund for tax year 2000. (This appropriation is far less than the \$125 million requested under the Governor's original tax rebate program.) After the tax year 2000, it will be up to the Governor to recommend and the Legislature to accept proposals for additional appropriations and transfers to the cash fund.
 - b. Distribution to Counties:** Each year the money accumulated in the cash fund will be disbursed to each county in proportion to the ratio of the real property valuation in the county to the real property valuation in the state. By September 15th of each year, the Property Tax Administrator will determine the amount to be disbursed to each county and certify the

amounts to the State Treasurer and to each county. The disbursements to the counties will occur in two equal payments, before April 1st each year. After retaining 1% of the receipts for costs, the county treasurer will allocate the remaining receipts to each taxing unit levying taxes on taxable property in the tax district in which the real property is located in the same proportion that the levy of each taxing unit bears to the total levy on taxable property.

c. Distribution to Tax Payers: To determine the amount of the property tax credit, the county treasurer will multiply the amount disbursed to the county by the ratio of the tax payer's real property valuation to the real property valuation in the county. The amount determined will be the property tax credit for the property. The tax credit would be listed on the property owner's tax statement. A property owner would be entitled to collect a homestead exemption as well as the tax credit.

- 2. Community Colleges:** LB 881e would provide \$30 million of additional state aid to community colleges for tax year 1999.
- 3. State Aid to Schools:** LB 881e requires the State Treasurer to transfer \$35 million from the State's Cash Reserve Fund to the State's General Fund for purposes of funding the Tax Equity and Educational Opportunities Support Act. The transfer would occur on August 1, 2001.

The provisions of LB 149e, passed earlier this session, require the Legislature to provide additional state aid to schools to fund the state aid formula when the maximum levy drops to \$1.00 in 2001. The amount of additional funds required varies between \$77 and \$84 million, depending upon the report one examines. LB 881e is intended to give the legislature a "leg up" on the obligations in LB 149e by putting aside roughly half the amount needed. The other half would derive from General Fund appropriations.

K. Property Tax Levy Limits

LB 141e	Subject: Clarifications	Introduced by: Revenue Com.	Committee: Revenue	Effective: 4/29/99
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LB 141e would enact minor clarifying modifications to the legislation of recent years providing and implementing levy caps. The bill is not expected to have an impact on state or local revenues or expenditures. The emergency clause is attached.

- 1. Town Meetings for Levy Override:** LB 141e clarifies that if a majority of the registered voters present at a meeting, assembled to consider a levy override, vote against exceeding the limits or final allocation, then the limit or allocation will not be exceeded AND the political subdivision will have no power to call for an election to override [that year].
- 2. ESUs:** LB 141e specifies that the technology levy for ESUs must be included in the maximum levy for ESUs.

L. Public Improvements

LB 253	<i>Subject:</i> Architect Requirement	<i>Introduced by:</i> Wehrbein	<i>Committee:</i> Government	<i>Effective:</i> 8/28/99
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Requirement for Architect: The intent of LB 253 is to amend the Engineers and Architects Regulation Act and other sections of the Nebraska State Statutes in order to increase the minimum dollar cost amount for public improvement projects before employing required engineer and architect services. LB 253 raises the minimum dollar amount from the current \$40,000 to \$80,000 for required preparation of project plans and supervision by an architect or professional engineer of new construction entered into by a political subdivision.

M. Retirement

LB 538e	<i>Subject:</i> School Employees Plan	<i>Introduced by:</i> Retire. Com.	<i>Committee:</i> Retirement	<i>Effective:</i> 5/26/99
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1. Contributing Members.

a. Current Law: Under current law, a "contributing member" means:

- i. regular employees hired on a full-time basis with not less than 30 hours per week and
- ii. regular part-time employees hired for not less than 60 hours per month.

b. New Provisions: LB 538e enhances the definition of a contributing member to include retired school employees who subsequently provide compensated service on a regular basis in any capacity.

NOTE: LB 538e also stipulates that substitute school employees are not considered school employees for purposes of the retirement system and therefore not contributing members.

2. Definition: For purposes of the retirement system, "substitute school employee" means a person hired by a public school on an intermittent basis to assume the duties of regular school employees due to the temporary absence of the regular school employees.

3. Final Average Compensation: In the determination of final average compensation for members who retire on or after the effective date of LB 538e:

- i. that part of a member's compensation for the fiscal year which exceeds the member's compensation with the same employer for the preceding fiscal year by more than 10% will be excluded UNLESS
- ii. the member experienced a change in employment position.

4. Retirement due to Disability.

a. Clarification: LB 538e clarifies existing law concerning retirement due to disability to mean a member who is unable to engage in a substantially gainful activity by reason of any med-

Passed/Signed into Law: LB 538e - continued

ically determinable physical or mental impairment which can be expected to result in death or be of a long and indefinite duration.

- b. Definition:** “Disability” means an inability to engage in a substantially gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or be of a long and indefinite duration.

LB 674e	<i>Subject:</i> School Employees Plan	<i>Introduced by:</i> Wickersham	<i>Committee:</i> Retirement	<i>Effective:</i> 4/29/99
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One of NCSA's main objectives this session, LB 674e represents major enhancements to the School Employees Retirement System.

- 1. Formula Annuity Factor:** LB 674e increases the formula annuity factor from 1.8% to 1.9%. This benefit applies to members who:
 - i. have acquired the equivalent of one-half year of service or more as a public school employee under the retirement system following July 1, 1998; and
 - ii. was employed as a public school employee under the retirement system or under contract with an employer on or after the operative date of LB 674e. NOTE: The factor increase does not apply to a member who is retired prior to the operative date of LB 674e.
- 2. Annual COLA:** Beginning July 1, 2000, the current benefit of a member or the beneficiary of a member will be increased annually by a rate equal to the CPI-Urban with a cap of 2%. (For example, if the prior year's CPI was 1.8% then the COLA for the following year will be 1.8%; if the CPI was 2.2% then the COLA for the following year will be 2%.)
- 3. Purchasing Power:** Beginning July 1, 2000, and each July 1st thereafter, current benefits paid to a member or beneficiary will be adjusted to equal 75% of the retiree's original benefit.

NSEA/NCSA Five Year Plan: While not a part of LB 674e, NCSA and NSEA unveiled our Five-Year Plan for enhancements to the School Employees Retirement System during the public hearing for LB 674e. For the reader's convenience, this plan is provided below.

<u>Feature</u>	<u>Current</u>	<u>LB 674e</u>	<u>Five-Year Plan</u>
<i>Formula Annuity Factor</i>	1.8	1.9	2.0
<i>Annual COLA (to keep pace with inflation)</i>	no provision	based on CPI; 2% cap	based on CPI; 3% cap
<i>Purchasing Power Adjustment</i>	no provision	75%	95%
<i>Health Insurance</i>	no provision	no provision	mechanism to pay health insurance for retirees

LB 703	<i>Subject:</i> Technical Cleanup	<i>Introduced by:</i> Retirement Com.	<i>Committee:</i> Retirement	<i>Effective:</i> 8/28/99
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1. Service Purchase Agreements.

- a. Background:** In 1997, the Legislature passed LB 724 which added a new option to the School Employees Retirement System. The legislation authorizes school employees and school employers to negotiate and sign an agreement, only in contemplation of retirement, for the purchase of up to five years of creditable service in the retirement system. The law requires the repayment of a termination benefit to be completed within 5 years of reemployment or prior to retirement.
- b. New Repayment Provision:** LB 703 changes the law to require full repayment prior to reemployment or termination of employment.

2. Minimum Benefit COLA.

- a. Background:** In 1998, the Legislature passed LB 532 which provides a cost-of-living-adjustment (COLA) for certain retirees/beneficiaries in the School Employees, Judges, and State Patrol Retirement Systems. The new law would provide a COLA only to those retirees who have been receiving a benefit for at least 5 years and have had 25 years of creditable service, or to disabled members or beneficiaries who have been receiving disability/death benefits for at least 5 years.
- b. Clarification Provision:** LB 703 clarifies the COLA created under LB 532 (1998) concerning the interaction between the LB 532 "targeted" COLA and the Purchasing Power Stabilization Fund COLA (.3%) to ensure no member is receiving a COLA that exceeds the change in the Consumer Price Index (CPI). The Nebraska Constitution (Art. III, Sec. 9) requires that COLAs be based on actual changes in cost-of living. LB 703 places the duty on the retirement board (PERB) to adjust the annual benefit adjustment so that the total amount of all COLAs provided to the retiree at the time of the benefit adjustment does not exceed the change in the CPI for the prior year.

N. Special Education

LB 314e	<i>Subject:</i> Unexpected Events	<i>Introduced by:</i> Bohlke	<i>Committee:</i> Education	<i>Effective:</i> 5/27/99
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- 1. Purpose:** LB 314e is a measure designed to help school districts that encounter unexpected special education costs.
- 2. Hardship Fund:** As amended on Select File, LB 314e would create the Hardship Fund and would appropriate \$2,773,988 for each of the next two years to the new fund. The appropriations would derive from the state's General Fund.

Passed/Signed into Law: LB 314e - continued

- i. Up to two-thirds of the amount appropriated will be available for requests received between July 1st and December 31st of each fiscal year.
 - ii. The remainder of the amount appropriated will be available for requests received between January 1st and June 30th of each fiscal year.
- 3. Unexpected Occurrences:** LB 314e would permit a school district to apply to the Commissioner of Education for money from the Hardship Fund if one or more unexpected occurrences cause the district financial distress. The occurrences include:
- a. New Student/Condition:** One or more new special education students or one or more new disabling conditions of a special education student causing special education expenditures to increase by at least 10% over the prior year's special education expenditures, but not less than three times the cost grouping cost per student in the standard cost grouping for the current school fiscal year;
 - b. Group Home:** The opening of a group home causing expenditures to increase by at least 10% over the prior year's special education expenditures but not less than 3 times the cost grouping cost per student in the standard cost grouping for the current school fiscal year;
 - c. Clerical Errors:** Clerical errors by public officials, other than any person employed by or serving on the school board of the requesting district, that are affecting the funding available to the district; and
 - d. State Aid Adjustment:** The final calculation of state aid causes a negative adjustment reducing the aid originally calculated for the district by 50% or more.
- 4. Eligibility Stipulations:** In order to be eligible for the funds, a district must have:
- i. Budgeted reserves equal to at least 98% of the applicable allowable reserves authorized for that district for the most recent budget prior to the district becoming aware of the unexpected occurrence. Any budget amendments filed after the district becomes aware of the unexpected occurrence will not be considered in determining if a district qualifies for funds; and
 - ii. A current combined levy equal to or greater than 95% of the maximum levy for all general and special levies subject to the limitation.
- 5. Application:** LB 314e requires the commissioner to provide application forms to requesting districts and the forms are to be no longer than one page in length. The forms will require:
- i. the name and county district number of the school district,
 - ii. a description of the unexpected discreet occurrence,
 - iii. the estimated cost of the unexpected occurrence for the affected school fiscal year,
 - iv. the applicable allowable reserves authorized for the most recent budget prior to the district becoming aware of the unexpected discreet occurrence,
 - v. budgeted reserves for the most recent budget prior to the district becoming aware of the unexpected discreet occurrence,
 - vi. the current combined levy for all general and special levies subject to limitation, and
 - vii. the name and address of at least one financial institution utilized by the school district.

Passed/Signed into Law: LB 314e - continued

NOTE: The commissioner is not limited to the information contained in the application for determining whether or not to grant an application for money from the Hardship Fund.

6. **Determination:** By the 5th day following receipt of an application, the commissioner must send a notice to the financial institution(s) listed by the school district. The notice must:
 - i. explain the Hardship Fund,
 - ii. state the name of the school district that has applied for distribution of money from the Hardship Fund,
 - iii. state the deadline for determination by the commissioner,
 - iv. state the interest rate that the State Treasurer will use to calculate interest, and
 - v. explain that the financial institution may offer its services to the district as an alternative to money from the Hardship Fund.
 - a. **Action by Financial Institution:** No action of a financial institution may prevent the commissioner from approving a distribution of money from the Hardship Fund for a school district.
 - b. **Notification:** The commissioner must notify the district of his determination within 30 days after receiving the application. The commissioner may award any amount of available money from the fund he deems appropriate, except that the amount may not exceed the costs incurred by the district due to the occurrence.
7. **Final Requirement:** Before money is distributed to a district, the president of the school board must sign an agreement stating that:
 - i. The costs for which money is being distributed are as accurate as can be determined at that point;
 - ii. The occurrence was unexpected; and
 - iii. The district will make required repayments to the fund.
8. **Repayment:** A district must repay the fund in full in a manner to be determined by the commissioner with interest calculated by the State Treasurer at 50% of the rate determined for the delinquent payment of taxes to the State of Nebraska.
 - a. **Withholding of State Aid:** When any school district fails to make a scheduled repayment, the commissioner must direct that any state aid due the district be withheld and transferred to the Hardship Fund until the balance of the money has been repaid to the fund.
 - b. **Legal Action:** The commissioner may also bring legal action as may be necessary for the fund to be repaid.

LB 548	<i>Subject:</i> Medicaid Funds	<i>Introduced by:</i> D. Pederson	<i>Committee:</i> Health	<i>Effective:</i> 8/28/99
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1. **Current Law:** Current law offers a statewide billing system which may authorize reimbursement rates to school districts and ESUs for providing any of three approved therapies (Occupational Therapy, Physical Therapy, and Speech Therapy) to Medicaid eligible students. This system is commonly referred to as MIPS, the acronym for Medicaid in Public Schools. Reimbursement rates for these services are “bundled” to include both administrative and direct service components. Federal Medicaid funds paid through the reimbursement rates to schools or ESUs for children five years of age and older “offsets” by an equal amount of the General Fund appropriation paid to the NDE for special education aid.
2. **Medicaid Funds:** LB 548 would amend current law so that up to \$10 million in Medicaid funds may be used for reimbursement to schools and ESUs. The legislation would:
 - i. Access federal Medicaid reimbursements for administrative outreach services not reimbursed under MIPS.
 - ii. Exempt from current law the federal funds obligated to schools for administrative outreach services provided under contract with the Department of Health and Human Services. As a result, accessing these federal funds will not decrease the General Fund appropriation to NDE for special education aid.
 - iii. Authorize the Department of Health and Human Services Finance and Support to contract with schools and ESUs for the delivery of the administrative outreach services. School districts may access these federal funds through these contracts.
3. **Oversight:** LB 548 provides oversight and implementation responsibilities to the Department of Health and Human Services. Contracts must comply with all applicable state and federal regulations.

O. Student Assessment

LB 144e	<i>Subject:</i> Assessment	<i>Introduced by:</i> Bohlke	<i>Committee:</i> Education	<i>Effective:</i> 5/27/99
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1. **Statewide Test:** LB 144e does not repeal the existing statute which requires NDE to implement a statewide assessment program by September, 2000. This objective is still “on line,” except that LB 144e also eliminates the funding (\$1.7 million) to pay for the assessment program. The presumption is that the Legislature will address the funding matter in the 2000 Legislative Session, or perhaps re-address the entire assessment issue at that time.
2. **NAEP:** LB 144e, as amended, makes participation in the National Assessment of Educational Progress (NAEP) test an individual district choice, rather than a mandate. The bill does allocate \$80,000 for fiscal year 2000-01 to NDE for use as incentives and reimbursement to districts that agree to participate in the NAEP test. The State Board of Education would then decide how best to offer the funds to participating districts.

- 3. State Report Card:** One of the central thrusts of the Bohlke amendment is the development of a statewide "report card" which may contain information on student performance, teacher and student attendance, and teacher qualifications. The State Board would have the authority to develop the report card and then implement the program beginning in the 1999-2000 school year. It is not known for sure how data for the report card would be gathered and tabulated.

P. Student Discipline

LB 195	<i>Subject:</i> Expulsion and Enrollment	<i>Introduced by:</i> Suttle	<i>Committee:</i> Education	<i>Effective:</i> 8/28/99
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- 1. Amends Student Discipline Code:** The bill amends the Nebraska Student Discipline Act by adding a new provision concerning expulsion.
- 2. Enrollment of Expelled Students:** If a student has been expelled from a public or private school district in any state (including Nebraska) and the student has not completed the terms of the expulsion,
- i. the student will not be permitted to enroll in a public school in Nebraska until
 - ii. the school board of the district in which enrollment is sought approves, by a majority vote, the enrollment of the student.
 - a. Optional Condition:** As a condition of enrollment, the school board may require attendance in an alternative educational program until the terms of the expulsion are completed.
 - b. Limitations:** A student expelled from a school in another state (i.e., other than Nebraska) may not be prohibited from enrolling in a Nebraska public school district:
 - i. in which the student resides; or
 - ii. in which the student has been accepted under the enrollment option program for any period of time beyond the time limits placed on expulsion under the Student Discipline Act; or
 - iii. for any expulsion offense which is not authorized under the Student Discipline Act.

Q. Tax Equalization and Review Commission

LB 140e	<i>Subject:</i> Appeals Process	<i>Introduced by:</i> Revenue Com.	<i>Committee:</i> Revenue	<i>Effective:</i> 5/26/99
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LB 140e represents technical and substantive changes to provisions as requested by the Tax Equalization and Review Commission (TERC) for improving the administration of the property valuation appeals process.

Passed/Signed into Law: LB 140e - continued

- 1. Video Conference:** Permits the TERC to hear, by video conference, requests from county boards seeking class adjustments by TERC after individual property protests. The legislation also permits video conference hearings regarding statewide equalization.
 - i. The conduct of the video conference would be as provided by law except that a member of TERC would not have to be present at the site.
 - ii. There would, however, be a representative of the TERC (e.g., staff member) at each site to deal with exhibits and keep a record of testimony.
- 2. Statute of Limitations:** Would set a statute of limitations for appeals from TERC at 30 days after entry of the order for all cases.
- 3. Consolidation of Appeals:** Would allow the consolidation of appeals involving multiple parcels.
 - i. The claims would have to involve the same owner and issues.
 - ii. Consolidation may be granted at the discretion of TERC.
- 4. Standard of Review.**
 - i. Provides a standard of review for ALL decisions rendered by the TERC.
 - ii. The TERC is to hear appeals as in equity and determine anew all questions raised before the county or Property Tax Administrator (PTA).
 - iii. However, the TERC is to affirm the action taken by the county (or PTA) UNLESS there is evidence that the action of the county (or PTA) was unreasonable or arbitrary.
- 5. Aggrieved Political Subdivision:** Expands the types of parties that may appeal an equalization decision to include any political subdivision aggrieved by an equalization order.

R. Technical Cleanup Bill

LB 813e	<i>Subject:</i> Cleanup Provisions	<i>Introduced by:</i> Bohlke	<i>Committee:</i> Education	<i>Effective:</i> 5/13/99
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LB 813e contains various technical changes to existing education laws. Obsolete language is deleted and language is modified where necessary. Most of the provisions of this measure were offered by the Department of Education.

S. Truancy

LB 152	<i>Subject:</i> Students Under Seven	<i>Introduced by:</i> Thompson	<i>Committee:</i> Education	<i>Effective:</i> 8/28/99
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1. **Old Law:** A student under the age of seven is not subject to the law of truancy.
2. **New Law:** LB 152 extends the offense of truancy to all students enrolled in a public school, but permits parents/guardians to discontinue enrollment and requires districts to adopt a policy outlining the process to discontinue enrollment.
 - a. **Discontinuing Enrollment:** The new law provides that a parent or guardian with a child under age seven and currently enrolled in a public school may discontinue enrollment. The purpose of this provision was to address concerns of some senators that, with the change in the truancy law, some parents/guardians might want to change their minds about enrolling their child.
 - ★ b. **Policy Requirement:** LB 152 requires each school district to adopt a policy which provides a process for discontinuation of the enrollment of students younger than seven years. The legislation does not provide any specific directions or guidelines for this policy requirement. Since LB 152 becomes effective in September, 1999, the new policy would have to be enacted prior to the 1999-2000 school year.

IV. Select File The following piece of legislation remained on Select File at the conclusion of the 1999 Legislative Session. This legislation will carry-over to the 2000 Legislative Session.

A. Ballot Issues

LB 729	<i>Subject:</i> Initiative and Referendum	<i>Introduced by:</i> Schimek	<i>Committee:</i> Government	<i>Priority:</i> Government
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1. **Petition in Violation of Law:** LB 729 provides that the Secretary of State may not accept an initiative or referendum petition which does not comply with law or which would violate the U.S. Constitution or laws of the United States.
2. **Appeal of Decision:** The legislation also provides a procedure to follow in order to take an issue to district court based on the action (or inaction) of the Secretary of State concerning an initiative or referendum petition.

V. General File

The following bills remained on General File at the conclusion of the 1999 Legislative Session. This legislation will carry-over to the 2000 Legislative Session.

A. Bidding Process

LB 801	<i>Subject:</i> Bidding Process	<i>Introduced by:</i> Jensen	<i>Committee:</i> Government	<i>Priority:</i> None
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- 1. Change in Bidding Process:** LB 801 provides that, unless otherwise provided by law, when competitive sealed bidding is required for any public improvements work, construction, repairs, or improvements:
 - All bids shall remain sealed until opened on the published date and time by the state or political subdivision or its designated agent;
 - Any or all bids may be rejected and the bid need not be awarded at the time of opening, but may be held over for further consideration; and
 - Each bid, with the name of the bidder, must be entered on a record and each record, with the successful bidder indicated on the record, must, after the award or contract, be open to public inspection.
- 2. Building Contract:** Unless otherwise provided by law, when any building construction contract is required by law to be awarded, it must be awarded to the lowest “responsible” bidder.
- 3. Exclusions to Bidding Process:** LB 801 provides that in the event of sudden or unexpected damage, injury, or impairment of any project, plant, works, system, or other property belonging to the state or a political subdivision, the government entity may, in its discretion, declare an emergency and proceed with the necessary construction, reconstruction, remodeling, building, alteration, maintenance, repair, extension, or improvement without first complying with the normal bidding process.

B. Career Preparation

LB 495	<i>Subject:</i> Preparation Programs	<i>Introduced by:</i> Stuhr	<i>Committee:</i> Education	<i>Priority:</i> Stuhr
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- 1. Purpose:** LB 495 creates the Education and Career Preparation Act. The bill would allocate funds to districts for career preparation programs. These programs would help students learn about specific career alternatives.
- 2. Funding:** To fund her legislation, Senator Stuhr sought to divert most of the funds available for competitive grants under the Education Innovation Fund (state lottery). This effort was unsuccessful and the bill was eventually amended to provide a one-time General Fund appropriation of \$3.2 million for FY1999-2000 only. The bill failed to advance.

C. Coaches' Contracts

LB 354	<i>Subject:</i> Written Contracts	<i>Introduced by:</i> Price	<i>Committee:</i> Education	<i>Priority:</i> None
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1. **Purpose:** Promoted by NSEA, LB 354 requires school districts to offer written employment contracts for head coaches, whether the coach is a teacher or administrator.
2. **Changes to Contract:** Any head coach whose coaching contract may be modified or terminated for the next school year must be notified in writing on or before April 15th of each year.
3. **Due Process.**
 - i. Upon written request of the head coach, notice must be provided which contains the written reasons for the proposed contract modification or termination.
 - ii. The notice must be sufficiently specific in order to allow the head coach an opportunity to prepare a response, and the reasons set forth in the notice must be related to the coaching duties assigned by the contract.
 - iii. School boards are not limited in justifying a change or cancellation of a contract, except for "constitutionally impermissible reasons."
 - iv. Within five calendar days after receipt of the notice, the head coach may make a written request to the secretary of the school board or to the superintendent for a hearing before the school board.
 - v. The bill specifies that the hearing need not meet the requirements of a formal due process hearing. It's likely, however, that a labor organization would offer formal legal assistance and presence at any such hearing. Accordingly, a school district would likely have legal counsel present for the proceedings.

D. Elections

LB 409	<i>Subject:</i> Ward/At Large	<i>Introduced by:</i> Vrtiska	<i>Committee:</i> Government	<i>Priority:</i> None
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1. **District/Ward Membership:** LB 409 provides that by majority vote of the governing body or by petition of the registered voters, any city, village, county, or school district nominating and electing members to its governing body at large may at a general election submit the question of nominating and electing members to its governing body by district or ward.
2. **At Large Membership:** If the governing body is currently elected by district or ward, LB 409 provides that by a majority vote of the governing board or by petition, it may at a general election submit the question of nominating and electing members at large.

LB 433	<i>Subject:</i> Initiative Petitions	<i>Introduced by:</i> Janssen	<i>Committee:</i> Government	<i>Priority:</i> None
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1. **Background:** Under current law, initiative petition signatures are verified by county clerks and election commissioners.
2. **Purpose.**
 - a. **Who Verifies:** Under LB 433, the Secretary of State would have sole responsibility for verifying signatures.
 - b. **Method of Verification:** The second mission of LB 433 would be to require the Secretary of State to verify every signer's name and other information with voter registration records. The Secretary of State must also select a random sample of signatures to be validated. The sample must include not less than 5% of the signatures submitted. The Secretary of State must then either:
 - i. provide the original petition pages containing the sample to the appropriate election commissioner or county clerk for comparison of each signature with voter registration records or
 - ii. mail a notice to each signer in the sample indicating that the signer's name has appeared on a petition and a description of the nature of the petition and a postage-paid return card that would allow the person to indicate that he or she did not sign the petition.

LB 572	<i>Subject:</i> Contested Elections	<i>Introduced by:</i> Government Com.	<i>Committee:</i> Government	<i>Priority:</i> None
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1. **Ballot Issues:** LB 572 provides that the result of any election on any issue submitted or referred to the voters either by a political subdivision or the registered voters of a political subdivision may be contested upon the petition of one or more registered voters of the political subdivision.

NOTE: Ballot issues would include levy override elections.
2. **Petition:** The petitioning voter or voters must present a petition within 40 days after the election to the district court in which the political subdivision is located. The petition must set forth the points on which the election will be contested and the facts which will be proved in support of such points and must ask for leave to produce the proof.
3. **Service and Notice:** The political subdivision will be served with a copy of the petition and a notice of the time and place of the presentation of the petition 10 days before the petition will be presented.
4. **Answer:** The political subdivision may, upon the presentation of the petition, file an answer specifying reasons why the election should not be contested.
5. **Legal Counsel:** The proponents and opponents of the proposed ballot issue will have the right to engage counsel to represent and act for such parties in all matters involved in and pertaining to the contest.

E. Labor Organizations

LB 27	<i>Subject:</i> Non-members/Fair Share	<i>Introduced by:</i> Lynch	<i>Committee:</i> Business & Labor	<i>Priority:</i> None
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- 1. Purpose:** A repeat from past sessions, LB 27 would require employees to pay their “fair share” to the labor organization representing them if they were previously a non-member. Under the bill, an employee must pay his/her fair share to a labor organization if:
 - i. the labor organization has been established as the collective bargaining and contract enforcement representative for the bargaining unit representing the employee and
 - ii. the employee is not a member of the labor organization.
- 2. Definition:** The "fair share" is essentially defined as the dues paid by current members to the labor organization.
- 3. Failure to Comply:** Under LB 27, failure of a nonmember employee to pay his/her fair share will give the labor organization the right to bring a court action for the payment of dues, together with reasonable attorney’s fees and court costs.

F. Lottery Funds

LB 791	<i>Subject:</i> Change Distribution	<i>Introduced by:</i> Schellpeper	<i>Committee:</i> Government	<i>Priority:</i> Baker
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- 1. Background:** LB 791 was designed to breathe new life into the State Lottery System. With sagging sales of lottery tickets, a measure was introduced this year to re-arrange how proceeds are distributed and how much vendors are paid to sell the tickets. After intense General File debate, however, the Legislature opted against advancing the measure.
- 2. Purposes:** LB 791 has two major purposes:
 - i. provide that lottery game retailers receive at least 6% commission for all lottery ticket sales; and
 - ii. lower the minimum percentage of lottery ticket sales allocated to the beneficiary funds (Education Innovation Fund, Environmental Trust Fund and Compulsive Gamblers Assistance) from 25% to 15%.
- 3. Intent:** The intent behind this measure is two-fold:
 - i. First, by increasing the vendor commission, it is believed retailers will attempt to increase promotion of lottery tickets and thereby boost revenues for the state lottery system.
 - ii. Second, by decreasing the percentage of funds allocated for the three beneficiary funds, there would be more funds available for lottery prizes. The more people win, it is believed, the more people will continue buying tickets. The outcome of LB 791 is supposed to be more revenue for the lottery system overall and therefore, hopefully, increased allocations to the beneficiary funds.

G. State Aid Formula Analysis

LB 715	<i>Subject:</i> Studies	<i>Introduced by:</i> Raikes	<i>Committee:</i> Education	<i>Priority:</i> None
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1. **Combined Proposals:** LB 715 contains three study proposals:
 - a. **Regression Analysis:** Using a regression analysis to differentiate the costs per student to be used for different sizes of local systems;
 - b. **Lop Off Provision:** Replace the "lop off" provisions by adjusting the calculation of formula needs in the state aid formula to reflect actual spending patterns that are below the preliminary needs calculation; and
 - c. **Estimation Grid:** Providing local systems with an estimation grid to assist with predicting future aid.
2. **Proposed Effective Date:** The proposed changes would affect the distribution of aid beginning with the 2000-01 school year.

H. Student Expression

LB 182	<i>Subject:</i> Student Publications	<i>Introduced by:</i> Beutler	<i>Committee:</i> Education	<i>Priority:</i> None
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1. **Student Freedom of Expression Act:** LB 182 creates the Student Freedom of Expression Act. The bill states that students attending public high schools in Nebraska are entitled to exercise their rights under the federal and state constitutions to express themselves freely in newspapers, yearbooks, and other school publications.
2. **Student Publication:** Under the bill, "student publication" means:
 - i. any school-sponsored publication written substantially by students and
 - ii. made available generally throughout a public high school, whether the publication is distributed free of cost or for a fee.
3. **Limitations:** The bill encourages students to exercise their freedoms of speech and press, including the right of vigorous and even controversial expression in student publications, except that they may be prohibited by their sponsoring teacher from publishing materials which are either obscene or deemed harmful to minors, which:
 - i. are libelous under Nebraska law, or
 - ii. are demonstrably likely to incite violence, law-breaking, or substantial and material disruption of the normal functions of the school. NOTE: Materials may not be suppressed or prohibited on the ground that it involves any individual's opinion or involves factual material regarding controversial subject matter.
4. **Sponsoring Teacher:** The bill further forbids a sponsoring teacher to be dismissed, demoted, reprimanded, or otherwise punished in any manner for supporting student freedom of expression as protected by this bill.
5. **Pending Amendment:** The committee amendment pending on LB 182 would appear to allow a school district the option of adopting its own publications code rather than abide by the provisions under the bill.

VI. Held in Committee

The following bills were neither advanced by the assigned committee nor were indefinitely postponed (killed). These bills will carry over to the next 2000 Legislative Session.

<i>Category</i>	<i>Bill</i>	<i>Sponsor (committee)</i>	<i>One-line Description</i>
Admission Requirements	LB 415	Bohlke (Education)	Change school admission requirements
Blind and Visually Impaired	LB 352	Crosby (Health)	Adopt the Commission for the Blind and Visually Impaired Act
Charter Schools	LB 817	Tyson (Education)	Adopt the Charter Schools Act
Consolidation	LB 564	Schmitt (Education)	Provide for transfer of land in cases of school district consolidation
Criminal Code	LB 159	Bruning (Judiciary)	Change certain penalties for gang-related offenses
	LB 633	Kiel (Judiciary)	Create the offense of assault while on school property
Elections	LB 579	Janssen (Government)	Change provisions relating to recall procedures
	LB 728	Schimek (Government)	State intent relating to initiative and referendum measures
	LR 8CA	Beutler (Government)	Constitutional amendment to provide for legislative consideration of measures proposed by initiative petitions
Employment Issues	LB 93	Redfield (Education)	Provide deadlines for collective bargaining for schools
	LB 169	Wickersham (Education)	Change provisions relating to reduction in force for schools
	LB 256	Kiel (Judiciary)	Define terms and provide immunity from liability for volunteers
	LB 353	Price (Education)	Authorize additional contracts for non-teaching services in school districts
	LB 602	Raikes (Education)	Provide for collective bargaining deadlines for school districts
	LB 727	Thompson (Education)	Create a task force to examine teacher and administrator issues

Held in Committee - continued

<i>Category</i>	<i>Bill</i>	<i>Sponsor (committee)</i>	<i>One-line Description</i>
Enrollment Option Program	LB 388	Bohlke <i>(Education)</i>	Change provisions relating to option students and the transfer of land between school districts
	LB 811	Bohlke <i>(Education)</i>	Change provisions of the school enrollment option program
Foster Care and State Wards	LB 486	Bruning <i>(Education)</i>	Change payment provisions for state wards' education
	LB 856	Hartnett <i>(Health)</i>	Change foster care investigation provisions
	LB 857	Hartnett <i>(Education)</i>	Change provisions for children in foster care and wards of the state
Income and Sales Taxes	LB 601	Raikes <i>(Revenue)</i>	Change the standard deduction amount for income tax purposes
	LB 670	Wickersham <i>(Revenue)</i>	Change the income tax and sales and use tax rates
	LB 710	Raikes <i>(Revenue)</i>	Change income tax calculations
Property Taxes	LB 677	Hudkins <i>(Revenue)</i>	Authorize the resumption of property tax assessment duties in certain counties
Residency	LB 487	Bruning <i>(Education)</i>	Clarify school district residency provisions
Retirement	LB 155	Lynch <i>(Retirement)</i>	Change provisions of the Class V School Employees Retirement Act
	LB 545	Bohlke <i>(Retirement)</i>	Change provisions of the School Employees Retirement Act
	LB 676	Wickersham <i>(Retirement)</i>	Change service annuity and disability provisions under the School Employees Retirement Act
School Finance	LB 173	Dierks <i>(Education)</i>	Change provisions relating to Class I school district levies and budgets
	LB 26	Lynch <i>(Education)</i>	Provide for reimbursement for public school meal programs
	LB 304	Coordsen <i>(Education)</i>	Change school district freeholder petition provisions
	LB 387	Bohlke <i>(Education)</i>	Provide for a facility factor in determining state aid to schools

Held in Committee - continued

Category	Bill	Sponsor (committee)	One-line Description
School Finance <i>continued</i>	LB 452	Landis (Education)	Provide procedures for delinquent school bond payments
	LB 540	Bohlke (Education)	Change provisions for reserve increases and state aid to schools
	LB 668	Wickersham (Education)	Change provisions for average formula cost per student regarding state aid to schools
Special Education	LB 544	Bohlke (Education)	Change provisions of the Special Education Act
Staff Development	LB 425	Lynch (Education)	Change provisions relating to school-related Staff Development Assistance
State Budget and Revenue Limits	LB 38	Coordsen (Appropriations)	Provide a limit on state appropriations
	LB 535	Kristensen (Revenue)	Adopt the Expenditure Limitation Act and limit tax rate changes
	LB 836	Brashear (Revenue)	Adopt the Taxpayer Protection Spending Lid Act
Student Discipline	LB 758	Landis (Education)	Rename and change provisions of the Student Discipline Act
Unfunded Mandates	LR 1CA	Coordsen (Appropriations)	Constitutional amendment to require the Legislature to appropriate funds to political subdivisions for certain mandated programs
Vouchers and Tax Credits	LB 385	Bohlke (Education)	Create the Educational Voucher Program
	LB 484	Tyson (Revenue)	Provide an income tax credit for certain educational expenses

VII. Indefinitely Postponed

The following bills were indefinitely postponed (killed).

<i>Bill</i>	<i>Sponsor</i>	<i>Description</i>
LB 28	.....Coordsen	.....Provide for corrected state aid to schools and create the School Finance Correction Fund
LB 37	.....Wickersham	.....Require county assessors to provide notices relating to certain personal property taxes
LB 53	.....Brashear	.....Provide a sales and use tax exemption for certain governmental photocopying expenses
LB 56	.....Brashear	.....Require disclosure of health care provider records to patients
LB 58	.....Schimek	.....Allow an income tax credit for political contributions
LB 65	.....Hilgert	.....Change provisions relating to boiler inspections
LB 71	.....Chambers	.....Require health care providers and facilities to provide certain medical records without charge
LB 82	.....Landis	.....Change provisions relating to repayment of withdrawn contributions under the School Employees Retirement Act
LB 85	.....Wickersham	.....Create the Intergovernmental Relations Commission
LB 104	.....Brown	.....Authorize creation of home rule charter counties
LB 117	.....Schimek	.....Change provisions relating to vacancies on a ballot for certain offices
LB 123	.....Schimek	.....Provide an income tax adjustment for pension and retirement pay
LB 125	.....Suttle	.....Change the sales tax rate
LB 136	.....Schimek	.....Provide for notice of delinquent real property taxes
LB 139	.....Bourne	.....Redefine "household income" for homestead exemption purposes
LB 145	.....Suttle	.....Change provisions relating to homestead exemption
LB 157	.....Schimek	.....Provide that Election Day is a holiday
LB 180	.....Preister	.....Authorize a county homestead exemption program
LB 269	.....Cudaback	.....Change provisions relating to the local option sales tax
LB 279	.....Stuhr	.....Change provisions relating to absentee ballots, registration forms, and mail-in ballots
LB 285	.....Jones	.....Adopt the Property Tax Relief Act
LB 294	.....Hartnett	.....Change provisions for property tax levy limits
LB 296	.....Cudaback	.....Change dollar limitations for public improvement project requirements
LB 301	.....C. Peterson	.....Eliminate a limitation relating to homestead exemption provisions
LB 311	.....Wickersham	.....Change and eliminate various reporting and publication requirements for financial information for political subdivisions
LB 322	.....Brashear	.....Change the hours during which election polls are open
LB 329	.....Bohlke	.....Change school district duties relating to parental notice of abortion
LB 330	.....Bohlke	.....Change eligibility criteria for homestead exemptions
LB 334	.....Suttle	.....Provide for teacher planning time
LB 336	.....Schrock	.....Exempt certain tangible personal property from taxation
LB 351	.....Connealy	.....State intent relating to computer access by government employees
LB 372	.....Beutler	.....Eliminate provisions relating to hearing officers in schools
LB 373	.....Beutler	.....Change provisions relating to hearing officers in schools
LB 378	.....Dierks	.....Change textbook loan program provisions
LB 381	.....Wickersham	.....Change provisions of the Nebraska Budget Act and transfer duties to the Property Tax Administrator
LB 392	.....Landis	.....Authorize local governments to levy payments in lieu of taxes for certain tax exempt real property
LB 394	.....C. Peterson	.....Create the Task Force on the State Scholarship Grant System
LB 395	.....Wickersham	.....Change income tax rate schedules
LB 413	.....Bruning	.....Change provisions for teacher certification
LB 418	.....Coordsen	.....Change provisions relating to valuation of agricultural land

Indefinitely Postponed - continued

Bill	Sponsor	Description
LB 420	.....Coordsen.....	Change provisions for valuation of agricultural or horticultural land
LB 426	.....Beutler.....	Create the Nebraska High School Sports Hall of Fame
LB 429	.....Bruning	Change income levels for homestead exemptions
LB 434	.....Janssen	Change provisions relating to write-in campaigns
LB 443	.....Jones.....	Change membership on boards of education
LB 456	.....Wickersham	Change sales tax provisions relating to telecommunications and television programming
LB 460	.....Schrock	Change provisions relating to provisional operators' permits
LB 470	.....Wickersham	Redefine "low-income child" for purposes of state aid to schools
LB 471	.....Coordsen.....	Eliminate certain property tax exemptions
LB 490	.....Bohlke.....	Change powers and duties of notaries public
LB 491	.....Bohlke.....	Provide an income tax credit for the costs of driver safety courses
LB 492	.....Bohlke.....	Homestead exemption for individuals with physical/mental impairments
LB 494	.....Suttle	Redefine "licensed practical nurse-certified" under the Licensed Practical Nurse-Certified Act
LB 497	.....Wickersham	Permit county employees to participate in a deferred compensation plan
LB 520	.....Hartnett	Change collection fees for certain school taxes
LB 528	.....Hilgert.....	Require schools to teach how to handle infants properly
LB 537	.....Committee.....	Change expense funds, deferred compensation, and expense provisions relating to retirement
LB 562	.....Brown.....	Change school levy limitations and state aid certification provisions
LB 580	.....Schimek.....	Exclude certain measures relating to personnel issues from being subject to referendum powers
LB 600	.....Raikes.....	Change the income tax rate schedules and standard deduction amount
LB 619	.....Bruning	Change vacation leave/pay provisions for unemployment compensation
LB 635	.....Stuhr.....	Change provisions for adjusted valuation and state aid to schools
LB 645	.....Raikes.....	Provide an exception to budget and levy limits for ESUs
LB 646	.....Raikes.....	Change provisions for calculation of state aid to schools and provide for professional staff incentive aid
LB 666	.....Wickersham	Change State Tax Board membership and duties
LB 684	.....Wehrbein.....	Change payment of special education costs for wards
LB 694	.....Bruning	Provide an exemption from budget limitations for financing instruments
LB 713	.....Raikes.....	Provide for regression analysis for school finance
LB 716	.....Raikes.....	Change formula need and equalization aid under school financing
LB 723	.....Thompson	Require a public hearing prior to circulation of initiative petitions
LB 726	.....Thompson	Provide incentives for teachers and administrators in shortage areas
LB 745	.....Raikes.....	Change homestead exemption amounts
LB 766	.....Landis.....	Change homestead exemption amounts
LB 769	.....Hartnett	Change provisions relating to truancy
LB 777	.....Dierks.....	Adopt the Agricultural Property Tax Credit Act
LB 782	.....Kiel.....	Provide for licensure of interpreters and provide duties for the Commission for the Deaf and Hard of Hearing
LB 826	.....Bourne.....	Change a homestead exemption eligibility requirement
LB 853	.....Jones.....	Change provisions for valuation of agricultural and horticultural land
LB 854	.....Hartnett	Change calculations for income tax
LB 859	.....Hartnett	Provide standing for political subdivisions under the Administrative Procedure Act
LB 874	.....Kristensen	Eliminate state contribution to the School Employees Retirement System
LR 15CA..	.....Stuhr.....	Constitutional amendment to change the length and commencement of legislative sessions

VIII. Interim Studies

The following interim studies contain the actual language of the resolutions which created the studies. Each legislative committee prioritizes the interim studies assigned to it in order to focus on the most pressing issues. Any study not receiving priority by the assigned committee may still be the focus of examination by the senator(s) who introduced the resolution. (See the next section to examine the priority schedule for interim studies by the Education Committee.)

A. Consolidation

LR 177	Subject: Mergers of Local Governments	Introduced by: Wickersham	Committees: Government, Revenue
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1. **One-line Description:** Interim study to examine issues allowing cities and counties and other political subdivisions to consolidate.
2. **Summary:** In November 1998, the voters approved an amendment to the Constitution of Nebraska to allow cities and counties, as well as other political subdivisions, to consolidate. LB 803 was introduced in 1999 in an effort to deal with the procedural, political, and pragmatic issues that would surround any merger. This study is to further the research into ways to eliminate or reduce the obstacles to greater efficiency and effectiveness that may be possible through consolidation.

B. Early Childhood Education

LR 223	Subject: General Study	Introduced by: Bohlke	Committees: Education, Health
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1. **One-line Description:** Interim study to examine how early childhood programs can help assure the school success of all children.
2. **Summary:** This study will address how early childhood programs can help assure the school success of all children. Recently publicized findings on early brain development document the critical importance of a stimulating and positive environment and secure attachments to caring parents and other adults during the earliest years on children's later performance in school and as adults. Well-designed, comprehensive early childhood or parent education programs provide lasting benefits to children and a later considerable saving of public resources for special education, delinquency, and welfare. The Early Childhood Education Pilot Project Program first funded by the Legislature in 1992 documents similar results for Nebraska children and demonstrates how such projects can be efficiently operated on a broader scale in communities across the state. As the state tied for the highest number of women with young children below age six in the workforce in the nation, many young Nebraska children are enrolled in home-based and center-based child care settings. Child care settings are the de facto early childhood learning settings for thousands of preschool children. National research demonstrates that the vast majority of these settings are poor to mediocre in quality and compromise children's long-term development. Nebraska has made some progress in linking child care providers to training and education to enhance their skills in working with young children; however, high staff turnover resulting from low wages and poor working conditions compromise children's secure attachment to parents or caregivers and ultimately their learning opportunities. This study will address funding strategies to support early childhood or parent education programs in schools and communities, with special emphasis on providing state resources to support models of service which combine existing programs and funding streams (e.g., early childhood special education, Head Start, Early Head Start, Even Start, other federal sources, and parent pay). The study shall also explore how such programs serving families with children from birth to kindergarten entrance may connect with and support the providers of child care services and link with health, mental health, and other community support services necessary to assuring that all areas of children's development can be enhanced.

Interim Studies: Early Childhood Education - *continued*

LR 226	Subject: General Study	Introduced by: Raikes	Committee: Education
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1. **One-line Description:** Interim study to review the status of and propose alternatives to early childhood education in Nebraska.
2. **Summary:** To review the status of and propose alternatives to early childhood education in Nebraska. During the years from birth to age three, children experience the fastest brain development within the human lifetime. Research shows that poverty, stress, poor nutrition, and lack of appropriate stimulation during this period can have lifelong negative effects. Early childhood programs can address these problems and reduce their impact by stimulating cognitive and social development. Studies show that good health care and nutrition, positive and attentive parenting, quality child care when child care is necessary, and therapeutic intervention when necessary can have positive educational and social effects extending through childhood and into adulthood. Many states have recognized the positive effects of early childhood programs and have passed legislation to create programs, supplement the quality of child care, or extend services for low-income or all children before they attend schools. Nebraska has not initiated such efforts, except pilot programs. This study will examine and determine:
 - i. The percentage of children within the state by income and age who have access to early childhood programs and services, including preschool education programs, child care programs, home visiting programs, and public health programs;
 - ii. The percentage of children within the state who are lacking needed services;
 - iii. The expenditures of state funds and the utilization of federal funds for early childhood health services, early childhood education services, and early childhood child care services;
 - iv. How Nebraska compares in overall expenditures for early childhood health and education to the top ten states, to midwestern states, and its ranking within the country;
 - v. How Nebraska compares in terms of services provided for early childhood health and education to the top ten states, to midwestern states, and its ranking within the country, to the extent that is possible;
 - vi. An estimate of the quality of child care and other early childhood services that state and federal funds are currently supporting, and a proposal for addressing these. Available evaluations shall be reviewed in this study; and
 - vii. Views of parents, educators, and health professionals regarding the needs of the state in the areas of early childhood education and health-related services.

C. Elections

LR 62	Subject: Recall Elections	Introduced by: Janssen	Committee: Government
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1. **One-line Description:** Interim study to examine recall procedures and changes proposed by LB 579, 1999.
2. **Summary:** To examine recall procedures and the changes proposed by LB 579. The study shall generally consider the recall process and determine if the proposed changes or other procedural changes can curb abuses of the recall process.

D. Facilities

LR 183	Subject: Facility Financing	Introduced by: Bohlke	Committee: Education
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1. **One-line Description:** Interim study to examine alternative structures for the financing of educational facilities.
2. **Summary:** The purpose of this study resolution is to examine alternative structures for the financing of educational facilities.

E. Hazardous Substances

LR 203	<i>Subject:</i> Hazardous Substance Emergency	<i>Introduced by:</i> Brashear	<i>Committee:</i> Judiciary
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1. **One-line Description:** Interim study to examine allowing political subdivisions to recover the cost of providing emergency services in a hazardous substance emergency.
2. **Summary:** Legislative Bill 700 sought to address the issue of the ability of local political subdivisions to recover from responsible persons the cost of providing emergency response services in a hazardous substance emergency. No state law currently provides for recovery of such costs. The purpose of this resolution is to examine the need for such a law and the appropriate provisions of such.

F. Homestead Exemptions

LR 165	<i>Subject:</i> General Study	<i>Introduced by:</i> Hilgert	<i>Committee:</i> Revenue
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1. **One-line Description:** Interim study of the homestead exemption statutes.
2. **Summary:** The purpose of this resolution is to study the homestead exemption statutes of Nebraska and determine whether or not legislation is needed to make the homestead exemption more fair and equitable.

LR 178	<i>Subject:</i> General Study	<i>Introduced by:</i> Wickersham	<i>Committee:</i> Revenue
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1. **One-line Description:** Interim study to examine the possibility of reforming the homestead exemption program.
2. **Summary:** The purpose of this study is to examine the possibility of reforming the homestead exemption program so that it would more clearly reflect the ability to pay property taxes. The study should examine the possibility of determining or finding a process for determining a standard for need as it applies to the elderly, disabled, and veteran populations that are benefited by the homestead exemption program.

G. Insurance

LR 88	<i>Subject:</i> Prescription Contraceptives	<i>Introduced by:</i> Suttle	<i>Committee:</i> Banking/Insurance
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1. **One-line Description:** Interim study to investigate inequities caused by lack of health insurance coverage for prescription contraceptives and nonexperimental infertility procedures.
2. **Summary:** The purpose of this study is to investigate the inequities caused by the lack of health insurance coverage for prescription contraceptives and nonexperimental infertility procedures for the diagnosis and treatment of infertility, including assisted reproductive technologies, artificial insemination, and pharmaceuticals. This study shall include an examination and review of:
 - i. The social, economic, and health consequences on persons who are denied coverage of contraceptives which require a prescription;
 - ii. Health conditions which contraindicate pregnancy and the lack of coverage of adequate, appropriate contraceptives for such conditions;

Interim Studies: Insurance - *continued*

- iii. Health insurance plans which include coverage of Viagra, but not prescription contraceptives or nonexperimental infertility procedures for the diagnosis and treatment of infertility, including assisted reproductive technologies, artificial insemination, and medicine;
- iv. The health alternatives available to women whose health conditions contraindicate pregnancy, but who become pregnant because of inadequate contraceptives; and
- v. Health insurance coverage available to women whose health conditions contraindicate pregnancy, but who are at risk of becoming pregnant because of inadequate contraceptives. The committee of the Legislature conducting this study shall attempt to determine the number of unplanned pregnancies which occur because of the lack of insurance coverage for prescriptive contraceptives and how many of those pregnancies result in abortions or other undesirable consequences.

LR 176	Subject: Public Employee Coverage	Introduced by: Dierks	Committee: Banking/Insurance
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1. **One-line Description:** Interim study to examine the provisions of group health insurance covering public employees.
2. **Summary:** To study the provisions of group health insurance covering public employees, all or a portion of the premiums for which is paid by the public entity employer of the insureds. The study shall include, but not be limited to, the following:
 - i. Examining the need for and implications of a statutory requirement that insurance carriers who have issued a group health insurance policy covering public employees annually file with the Department of Insurance a financial summary report of the policy which shall include a description of coverages, premium rates, number of employees covered, and total claims paid; and
 - ii. Examining the need for and implications of a statutory requirement that insurance carriers who have issued a group health insurance policy covering public employees report quarterly to the respective board a financial summary, by coverage, of expenses incurred since the last report.

H. Miscellaneous

LR 97	Subject: Single Omaha School District	Introduced by: Chambers	Committee: Education
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1. **One-line Description:** Interim study to examine the creation of a new school district within a metropolitan class city.
2. **Summary:** To conduct a study of the elements necessary to allow the creation of a new school district within a city of the metropolitan class that encompasses a unique community within the city based on the concentration of minority citizens.

LR 116	Subject: Investment of Public Funds	Introduced by: Landis	Committee: Banking/Insurance
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1. **One-line Description:** Interim study of laws regulating the deposit, investment of, and furnishing of security for public funds of the state and political subdivisions.
2. **Summary:** The purpose of this resolution is to study Nebraska's laws regulating the deposit and investment of and the furnishing of security for public funds of the state and governmental subdivisions. The study should include consideration of possible legislative proposals including LB 503, LB 553, and LB 554 introduced in 1999 and pending in the Banking, Commerce and Insurance Committee.

Interim Studies: Miscellaneous - continued

LR 158	Subject: Gun Safety	Introduced by: Kiel	Committee: Judiciary
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1. **One-line Description:** Interim study to examine ways in which the state can promote gun safety within the state.
2. **Summary:** The purpose of this study is to examine the ways in which the State of Nebraska can promote gun safety within the state in order to create a safer and less violent environment for its citizens. Components of the study may include, but need not be limited to:
 - i. Examining ways to implement child access prevention (CAP) laws that would restrict gun access to children.
 - ii. Studying the feasibility of permitting an adult to be held civilly liable for allowing a minor access to a gun subsequently used in a crime.
 - iii. Determining if laws requiring trigger locks and other new technologies that can keep a gun from being used by anyone but the owner are practicable.

LR 180	Subject: Educational Scholarships	Introduced by: Bohlke	Committee: Education
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1. **One-line Description:** Interim study to examine educational tax relief options, state supported scholarships, and educational investment incentives for individuals and businesses.
2. **Summary:** The purpose of this study resolution is to provide information to the Legislature on educational tax relief options for primary and secondary education, the possibility of state supported scholarships for primary and secondary education, and educational investment incentives for individuals and businesses.

LR 187	Subject: Native American Students	Introduced by: Bohlke	Committee: Education
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1. **One-line Description:** Interim study to examine the status of education for Native American students in Nebraska.
2. **Summary:** The purpose of this study resolution is to provide information to the Legislature on the status of education for Native American students in Nebraska for primary, secondary, and postsecondary education and to provide information on approaches to improve the educational opportunities and success for Native American students in Nebraska.

LR 252	Subject: General Study	Introduced by: Bohlke	Committee: Education
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1. **One-line Description:** Interim study to review issues within the jurisdiction of the Education Committee.
2. **Summary:** The purpose of this study resolution is to investigate and review matters and issues arising during the interim which are within the jurisdiction of the Education Committee of the Legislature.

I. Property Assessment

LR 232	Subject: County Assessor Duties	Introduced by: Appropriations Com.	Committee: Appropriations
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1. **One-line Description:** Interim study to review the effectiveness and cost of turning over county assessor duties to the Property Tax Administrator.
2. **Summary:** The purpose of this study is to review the effectiveness and cost of turning over county assessor duties to the Property Tax Administrator and to assess what resources are needed during the next ten years, including the cost of annual operations, the cost of updating system operations, and a determination of the interest of future users.

J. Property Valuation

LR 84	<i>Subject:</i> Agricultural Lands	<i>Introduced by:</i> Coordsen	<i>Committee:</i> Revenue
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- 1. One-line Description:** Interim study to examine solutions to the valuation problems generated from agricultural land used for nonagricultural purposes
- 2. Summary:** Agricultural land is often sold to buyers whose primary interest in the land is not for farming or ranching, but for recreation, development, speculation, or aesthetics. The prices paid by these buyers are considerably higher than the value of the land for agricultural or horticultural purposes. These sales subsequently drive up the values of the neighboring agricultural land and result in higher property taxes. The purpose of this resolution is to study possible solutions to the valuation problems generated from agricultural land used for nonagricultural purposes. The study shall include, but not be limited to:
 - i. Examination of the methods and guidelines used by county assessors and the Property Tax Administrator in comparable sales involving agricultural land used for agricultural purposes and agricultural land used for nonagricultural purposes;
 - ii. Examination of new categories of agricultural and horticultural land which would include agricultural land used for nonagricultural purposes;
 - iii. Examine the relationship between actual agricultural land valuations and land value if put solely to agricultural use;
 - iv. Examine the methods and guidelines used by county assessors and the Property Tax Administrator in valuation of farmstead sites that are part of a farming operation;
 - v. Examine current use of greenbelting in Nebraska and new ways to expand its use; and
 - vi. Examine changes proposed in Legislative Bill 853, Ninety-sixth Legislature, First Session, 1999.

LR 139	<i>Subject:</i> Agricultural Lands	<i>Introduced by:</i> Janssen	<i>Committee:</i> Revenue
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- 1. One-line Description:** Interim study to examine solutions to valuation problems generated from agricultural land being classified as nonagricultural.
- 2. Summary:** A discrepancy has arisen in several counties in Nebraska between acreages directly connected to other agricultural property and acreages used solely for residential purposes. The valuation of acreages connected to agricultural property is being unfairly assessed higher than the surrounding agricultural property. Such property is being assessed as an acreage used for residential purposes, rather than as a part of a working farm. The purpose of this resolution is to study possible solutions to the valuation problems generated from agricultural land being classified as nonagricultural.

LR 167	<i>Subject:</i> General Study	<i>Introduced by:</i> Wickersham	<i>Committee:</i> Revenue
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- 1. One-line Description:** Interim study of the process of compiling property valuation, property tax levied and budgets by the Property Tax Administrator and Auditor of Public Accounts.
- 2. Summary:** To study the process of compiling property valuation, property taxes levied, and budgets by the Property Tax Administrator and Auditor of Public Accounts. A specific emphasis shall be to determine how this process could be better coordinated and information exchanged electronically in order to develop more useful and timely information on property taxes and property valuations.

Interim Studies: Property Valuation - *continued*

LR 261	Subject: Agricultural Lands	Introduced by: Coordsen	Committee: Revenue
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1. **One-line Description:** Interim study to examine solutions to the valuation problems generated from agricultural land used for nonagricultural purposes.
2. **Summary:** Agricultural land is often sold to buyers whose primary interest in the land is not for farming or ranching, but for recreation, development, speculation, or aesthetics. The prices paid by these buyers are considerably higher than the value of the land for agricultural or horticultural purposes. These sales subsequently drive up the values of the neighboring agricultural land and result in higher property taxes. The purpose of this resolution is to study possible solutions to the valuation problems generated from agricultural land used for nonagricultural purposes.

K. Public Lands

LR 145	Subject: Government Property	Introduced by: Revenue Com.	Committee: Revenue
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1. **One-line Description:** Interim study to examine issues related to taxation of property owned by governmental entities which is not used for a public purpose.
2. **Summary:** The purpose of this resolution is to study the issues surrounding the implementation of Legislative Bill 271, Ninety-sixth Legislature, First Session, 1999, to tax property owned by governmental entities which is not used for a public purpose. Specifically, the study should examine the appropriate concepts used to determine what is and what is not being used for a public purpose. Guidelines such as the amount of income relative to the size of the operation, the size and level of integration of the discrete area being considered, and the applicability of Unrelated Business Income Tax to the activity should be considered. The study should also consider the procedures for disputing the assessment of taxes and the burden of proof to be applied in such disputes. Finally, the study should examine the procedures to be undertaken to assure a proper level of value is placed on public property held under a lease for a nonpublic purpose.

LR 230	Subject: Government Property	Introduced by: Jensen	Committee: Revenue
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1. **One-line Description:** Interim study to review issues relating to the tax exemption granted to state and political subdivisions for real property used for public purposes.
2. **Summary:** The purpose of this study is to review issues relating to the tax exemption granted to the state and political subdivisions for real property used for public purposes. The state and its political subdivisions provide services to the residents of the state, and many of the services necessitate ownership of real property. However, this ownership can result in substantial reductions in the taxable valuation of affected governmental units. This study should examine the following issues
 - i. Eliminating the tax exemption for real property used for public purposes;
 - ii. sale of real property of the state and political subdivisions which is not used for public purposes;
 - iii. enacting time limits on public ownership of real property for future growth;
 - iv. comparison of leases of public property and private property; and
 - v. the impact of taxing the real property of the state and political subdivisions on other property taxpayers.

L. Retirement

LR 119	<i>Subject:</i> Public Employee Coverage	<i>Introduced by:</i> Stuhr	<i>Committee:</i> Retirement
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- One-line Description:** Interim study to examine the long-term funding of the five state-administered retirement systems.
- Summary:** The Legislature has the responsibility for developing sound and adequate public retirement systems for certain Nebraska public employees. The purpose of this resolution is to study the long-term funding of the five state-administered retirement systems. The study shall:
 - evaluate the current funding sources, including member contributions, employer contributions, court fees, and state contributions,
 - analyze investment policies, practices, and results, and
 - review future funding requirements. The results of this study shall determine the need for a comprehensive study to be conducted next year.

LR 120	<i>Subject:</i> Disability	<i>Introduced by:</i> Stuhr	<i>Committee:</i> Retirement
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- One-line Description:** Interim study to evaluate the disability provisions for each individual state-administered retirement system.
- Summary:** The purpose of this interim study resolution is to evaluate the disability provisions for each individual state-administered retirement system. The study shall include, but not be limited to:
 - A comparison among the five state-administered retirement systems;
 - a review of the determination of "disability" for retirement purposes; and
 - an analysis and comparison with federal disability statutes.

M. Revenue Issues, Miscellaneous

LR 222	<i>Subject:</i> Tax Credit	<i>Introduced by:</i> Bohlke	<i>Committees:</i> Education/Revenue
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- One-line Description:** Interim study to examine ways through tax credits to encourage businesses to participate in quality child care for working families.
- Summary:** The goal of the interim study is to examine ways through tax credits to encourage Nebraska businesses to participate in the accessibility and affordability of quality child care for working families. The need for quality child care that is accessible and affordable is a daily concern for thousands of Nebraska working parents. In Nebraska, the percentage of families with children headed by a single parent continues to grow. The percentage of mothers in the labor force with children under age six is greater in Nebraska at seventy-one percent than the percentage of the United States as a whole at sixty percent. Parents are struggling to balance work and parenthood, and the business community is being affected by the conflicts. In a state where the unemployment rate is historically one of the nation's lowest and the marketplace is highly competitive, businesses need a workforce that has high performance rates and high productivity levels. Child care is an issue of parents and businesses alike. With the reality of the increasing amount of time children spend in child care, a quality child care environment plays a crucial role in the learning and development of Nebraska's children.

Interim Studies: Revenue Issues, Miscellaneous - *continued*

LR 242	<i>Subject:</i> Property Tax Payments	<i>Introduced by:</i> Landis	<i>Committee:</i> Revenue
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1. **One-line Description:** Interim study to determine methods by which Nebraska's citizens could make partial payments of their property taxes.
2. **Summary:** The purpose of this resolution is to determine the methods by which Nebraska's citizens could make partial payments of their property taxes. This study should include methods for the payment of taxes in arrears or taxes currently owed.

LR 246	<i>Subject:</i> Treasurers' Collection Fee	<i>Introduced by:</i> Hartnett	<i>Committee:</i> Revenue
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1. **One-line Description:** Interim study to determine the actual costs involved in the collection of the property tax by the county treasurer.
2. **Summary:** With the imposition of budget lids and property tax levy limits on political subdivisions, it is becoming increasingly important for such entities to monitor expenditures and minimize costs whenever possible. This is particularly important for school districts that will see their property tax levy limit ratcheted down from \$1.10 to \$1.00 in coming years. One source of particular concern to school districts has been the collection fee charged against property tax receipts by the county treasurer. The question has often been raised as to whether the collection fee reflects the actual costs of the treasurer in collecting the tax. The purpose of this study will be to determine the actual costs involved in the collection of the property tax by the county treasurer and whether the statutory amount of the charge should be adjusted to more accurately reflect the real costs involved.

N. School Employee Shortages

LR 98	<i>Subject:</i> Employee Shortages	<i>Introduced by:</i> Thompson	<i>Committee:</i> Education
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1. **One-line Description:** Interim study to examine the shortage of teachers and administrators in Nebraska's public and private schools.
2. **Summary:** The Legislature finds that Nebraska will soon be facing a shortage of teachers and administrators in Nebraska's public and private schools. In order to appropriately address this critical need, it is important to examine:
 - i. Recent studies of teacher and administrator shortages in Nebraska;
 - ii. Teacher and administrator retention in Nebraska;
 - iii. Nebraska's competitiveness with other states regarding compensation of educators;
 - iv. The ability of Nebraska teacher education institutions to recruit and retain students, including specific efforts aimed at recruiting and retaining minority students, and their ability to place students in the state;
 - v. Expanding current law in order to provide greater flexibility for individuals with experience and expertise in a specific field to teach pursuant to a modified certification; and
 - vi. Possible legislative responses to these issues.

O. School Finance

LR 144	<i>Subject:</i> Aid to Local Governments	<i>Introduced by:</i> Revenue Com.	<i>Committee:</i> Revenue
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1. **One-line Description:** Interim study to examine various programs that are in place which provide financial aid to local governments.

Interim Studies: School Finance - *continued*

- 2. Summary:** Continued public pressure to reduce the reliance of local governments on the property tax has increased the need for state officials to be aware of the state-local financial relationships that exist in Nebraska. The purpose of this study is to examine the various programs that are in place which provide financial aid to local governments. Particular attention should be paid to the consistency between the use of sales and income tax revenue collected from the entire state and the needs relative to the property tax capacity of local governments. Aid to natural resources districts is an area that has not received attention since the personal property tax replacement aid was first provided in the 1970s. Analysis of the needs of natural resources districts as compared to both the property tax levy capacity and the possibility of other own-source revenue should be undertaken pursuant to this study. Another aspect of this study is the utility and effectiveness of the state aid notification required to be provided to the taxpayer with the property tax statement. The study should examine the contents of the notification and whether or not the information provided could be made more useful and informative to the taxpayer.

LR 160	Subject: Filing Financial Information	Introduced by: Wickersham	Committees: Revenue/Educ./Approp.
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- 1. One-line Description:** Interim study of the process of filing school financial information with certain state agencies to better coordinate the process for estimating state aid.
- 2. Summary:** To study the process of filing school financial information with the State Department of Education, Property Tax Administrator, and Auditor of Public Accounts to determine how this process may be better coordinated and more useful to the public, school districts, and Legislature. A specific emphasis of the study shall be the development of a standard method of grouping schools into systems for analysis and the development of standardized information to be made available for modeling and estimating state aid by interested public agencies, including the Legislature.

LR 168	Subject: Filing Financial Information	Introduced by: Wickersham	Committee: Revenue
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- 1. One-line Description:** Interim study of the implementation of electronic filing of budgets and financial audits of local governments with the Auditor of Public Accounts.
- 2. Summary:** To study the implementation of electronic filing of budgets and financial audits of local governments with the Auditor of Public Accounts. As part of the study, the Revenue Committee of the Legislature should ask the auditor to report to the committee prior to the next regular session on the progress made towards this goal. The committee should determine whether any statutory or budgetary changes are needed to implement the electronic exchange of information.

LR 179	Subject: Capacity to Pay Property Taxes	Introduced by: Bohlke	Committee: Education
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- 1. One-line Description:** Interim study to explore alternative possibilities for including a measure of taxpayers' capacity to pay property taxes in the school finance formula.
- 2. Summary:** The purpose of this study resolution is to explore alternative possibilities for including a measure of taxpayers' capacity to pay property taxes in the school finance formula.

LR 181	Subject: Breakfast/Lunch Programs	Introduced by: Bohlke	Committee: Education
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- 1. One-line Description:** Interim study to review funding of school breakfast and school lunch programs.

Interim Studies: School Finance - *continued*

2. **Summary:** To study and review funding of school breakfast and school lunch programs. The Education Committee of the Legislature shall conduct an interim study and review of current funding mechanisms and recommend any changes that the committee deems necessary and appropriate. This study shall include, but not be limited to, an examination of:
 - i. The current level of state general fund support of school breakfast and school lunch programs;
 - ii. The current level of federal support of school breakfast and school lunch programs; and
 - iii. A comparison of other states' school breakfast and school lunch funding.

LR 182	<i>Subject:</i> Calculation of Needs in Formula	<i>Introduced by:</i> Bohlke	<i>Committee:</i> Education
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1. **One-line Description:** Interim study to examine alternatives to the current method of calculating needs in the school finance formula.
2. **Summary:** The purpose of this study resolution is to provide information to the Legislature on the potential effects of LB 715, Ninety-sixth Legislature, First Session, 1999, and other alternatives to the current method of calculating needs in the school finance formula.

LR 184	<i>Subject:</i> Class I Budgets	<i>Introduced by:</i> Bohlke	<i>Committee:</i> Education
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1. **One-line Description:** Interim study to examine the budget limitation process for Class I school districts.
2. **Summary:** The purpose of this study resolution is to examine the budget limitation process for Class I school districts.

LR 186	<i>Subject:</i> School Size and Efficiency	<i>Introduced by:</i> Bohlke	<i>Committee:</i> Education
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1. **One-line Description:** Interim study to examine school size as it relates to educational efficiency and the school finance formula.
2. **Summary:** The purpose of this resolution is to examine school size as it relates to educational efficiency and the school finance formula. This study shall examine the goals and objectives of Nebraska's public schools and the expectations of the State Board of Education and the Legislature related to educational adequacy. Additionally, this study shall examine the relation between the state's school finance system and the state-level expectations related to educational adequacy and efficiency. The study should consider the following:
 - i. Any statistical relationship between school size and the cost of doing business and whether this can be sufficiently defined as a factor in the school finance formula;
 - ii. What factors could be considered a justifiable cost difference among schools and pupils;
 - iii. Whether there is an opportunity to identify classroom units to better address necessary funding differences between schools;
 - iv. Whether there is an acceptable definition of efficiency as it relates to education and education finance in Nebraska; and
 - v. Any other issues necessary or appropriate for a full and complete examination of this matter.

P. School Safety/Discipline

LR 155

Subject:
General Study

Introduced by:
Kiel

Committee:
Education

1. **One-line Description:** Interim study to review safe school legislation.
2. **Summary:** Children count on adults to keep them safe, to teach them, and to help them grow, and each of us must work to ensure the safety and welfare of every child. The Legislature finds that recent incidents of violence in schools confirm the necessity of reviewing Nebraska statutes to ensure that teachers, school administrators, law enforcement officials, and parents have the tools they need to maintain discipline and order in the classroom and to ensure our schools are safe for Nebraska children and teachers. A recent study by The Public Agenda Foundation on what American teenagers think about their schools reveals that large numbers of teens say there are too many disruptive students in their classes, classes are too large, and they are concerned with the lack of discipline in the schools they attend. Students complain of a lack of respect and civility in their schools. Teenagers describe a rough-and-tumble teen culture that they themselves see as destructive, and minority youngsters, particularly African-American teens, are more likely to consider a lack of order and discipline as a serious problem in their schools. A nationwide public survey conducted in January 1997 by The Feldman Group, Inc., reveals that fifty-eight percent of all respondents ranked lack of discipline among students as the second most serious problem facing public schools. The only issue to rank higher as a serious problem was parents not being involved in their children's schooling. That same public survey found that ninety percent of all respondents believe the most important goals for improving education should be establishing discipline in the classroom and ensuring school safety. Citizens, including students, clearly believe that elected officials must assist in providing teachers the tools and help they need to maintain an orderly classroom. A review of safe school legislation in other states, particularly Texas' safe schools statutes, would be beneficial in crafting a plan that will help ensure a safe learning environment for all students and teachers. Consideration should be given to enacting state and federal laws mandating the immediate removal of any regular or special education student from school who commits any violent act against a student or a school employee. Consideration should also be given to enacting laws that would require a student be excluded from school until he or she has received psychological counseling at the parents' expense and has been certified by the appropriate counselor as psychologically ready to return to the classroom. Lawmakers should also examine the benefits of:
 - i. Increasing penalties for assaulting a teacher or any other school employee;
 - ii. Cutting off driving privileges for students who have been suspended or expelled from school;
 - iii. Providing prompt and efficient transfer of student records, including discipline records, from one school district to another and ensuring teachers have access to such records;
 - iv. Providing specific statutory authority allowing school districts at their discretion to adopt dress codes or school uniforms;
 - v. Allowing school districts to prohibit possession of cellular phones or pagers by students in school unless specifically approved by school administrators;
 - vi. Modifying existing law imposing parental responsibility or liability for certain student conduct by repealing the current one-thousand-dollar liability cap on personal injury damages;
 - vii. Providing specific statutory authority allowing teachers to remove students from their classroom for up to five days for violent or seriously disruptive behavior;
 - viii. Modifying current legislation adopted pursuant to the federal Gun-Free Schools Act of 1994 to include all deadly weapons, not just firearms; and
 - ix. Providing for mandatory expulsion of students who bring firearms to school. Additional actions that would help ensure the safety of our children should be studied, such as implementing effective mediation and conflict resolution programs, so that children are taught to settle differences in nonviolent ways, providing training to every school employee, including teachers, bus drivers, and administrators, to identify and report warning signs of violence and mental health problems, and making sure that guidance counselors and school psychologists are brought back into the school at a ratio per student that allows them to provide personal attention to every child.

Interim Studies: School Safety/Discipline - *continued*

LR 185	Subject: Student Discipline	Introduced by: Bohlke	Committee: Education
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1. **One-line Description:** Interim study to examine current and alternative approaches to student discipline.
2. **Summary:** The purpose of this study resolution is to examine current and alternative approaches to student discipline.

LR 256	Subject: Student Discipline	Introduced by: Landis	Committee: Education
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1. **One-line Description:** Interim study to examine changes to statutes that would result in more effective discipline in public elementary and secondary schools.
2. **Summary:** To initiate a study of changes to Nebraska's statutes that would result in more effective discipline in Nebraska's public elementary and secondary schools. The study shall be based on the assumptions that:
 - i. The public schools must provide an environment within which students can learn and teachers can teach; and
 - ii. all people in a school system, including teachers, students, administrators, school board members, parents, and other community members, have a responsibility to our schools and have a stake in how they are run.

Q. State Lottery

LR 92	Subject: Allocation of Funds	Introduced by: Janssen	Committee: General Affairs
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1. **One-line Description:** Interim study to examine policy choices concerning changes in the method of allocating state lottery revenue.
2. **Summary:** The Legislature has recently considered a number of policy choices concerning changes in the method of allocating state lottery revenue. In the 1999 Legislature, LB 187 would have changed the allocation of state lottery revenue by reducing the percentage of funds provided to the Nebraska Environmental Trust Fund and providing funds to the Building Renewal Allocation Fund. LB 187 was held by the committee. This study shall include, but not be limited to, examination of the following:
 - i. Whether it is appropriate to change the current policy concerning the allocation of state lottery revenue;
 - ii. If it is appropriate to change the allocation of state lottery revenue, the appropriate recipients of such revenue;
 - iii. The interests and desires of the public on this issue, including the history of enactment of the State Lottery Act;
 - iv. Allocation of state lottery revenue in other states; and
 - v. Any other matters necessary or appropriate for a complete examination of this issue.

LR 95	Subject: Increasing Lottery Sales	Introduced by: Janssen	Committee: General Affairs
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1. **One-line Description:** Interim study to consider methods of increasing lottery sales.
2. **Summary:** In 1999 the Legislature considered methods of increasing lottery sales, including increasing the amount of prize payout, providing increased compensation or bonuses to retailers, and use of lottery ticket vending machines. This study shall include, but not be limited to, examination of the following:

Interim Studies: State Lottery - *continued*

- i. Whether increasing the percentage of payout to purchasers of lottery tickets would increase sales;
- ii. Whether increased compensation, bonuses, or other methods of compensation would provide incentives for retailers to increase sales;
- iii. Whether use of lottery ticket vending machines would increase sales and, if so, methods of ensuring that lottery tickets are not sold to minors;
- iv. Whether there are other sales opportunities that are not currently being met under the current system; and
- v. Any other matters appropriate for a complete examination of the issue.

R. State Wards

LR 229	<i>Subject:</i> Placement of State Wards	<i>Introduced by:</i> Crosby	<i>Committee:</i> Health/Appropriations
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1. **One-line Description:** Interim study to examine the placement of state wards and to determine when children and youth are placed in foster care.
2. **Summary:** To study the placement of state wards and determine when children and youth are placed in foster care. This study may include, but shall not be limited to:
 - i. Inappropriate placement of children in nonsecure facilities;
 - ii. The effect of privatization as it relates to the ability to effectively monitor these facilities and to ensure the safety and security of children and youth;
 - iii. The effect of managed care on placement alternatives, specifically the impact of OPTIONS;
 - iv. Whether there are adequate resources in the Office of Juvenile Services;
 - v. Whether there are adequate and proper investigations and adequately defined roles by child protective services and law enforcement to intervene before children become violent offenders;
 - vi. Whether there is adequate accountability and oversight by the Department of Health and Human Services - Child Welfare and the Office of Juvenile Services;
 - vii. Whether other types of placements are being considered and made available in Nebraska;
 - viii. The effect of N-Focus as well as the specific effect on the absence of documentation of child and youth histories;
 - ix. Whether children are being allowed to remain in unsafe foster homes or day care homes with individuals who have a history of offenses against children;
 - x. The effect of the Health and Human Services System partnership and structural issues such as whether children are experiencing inappropriate placements, case delays, or nonquality care due to overburdened casemanagers or casemanager turnover; and
 - xi. Any other issues involved regarding children whose behavior is violent or dangerous who are state wards and are placed in foster care homes and other community-based programs rather than placed in institutions.

S. Student Assessment

LR 253	<i>Subject:</i> Assessment Alternatives	<i>Introduced by:</i> Bohlke	<i>Committee:</i> Education
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1. **One-line Description:** Interim study to provide information to the Legislature on assessment alternatives relating to education.
2. **Summary:** The purpose of this study resolution is to provide information to the Legislature on the assessment alternatives that have been presented to the Legislature through section 79-760 and the amendments filed to LB 812, Ninety-sixth Legislature, First Session, 1999.

T. Unemployment Benefits

LR 130	<i>Subject:</i> School Employees	<i>Introduced by:</i> Connealy	<i>Committee:</i> Business and Labor
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- 1. One-line Description:** Interim study of the Nebraska unemployment compensation system as it relates to substitute teachers, paraeducators, and clerical staff for public schools.
- 2. Summary:** To initiate a study of the Nebraska unemployment compensation system as it relates to substitute teachers, paraeducators, and clerical staff for public school districts in the state. In a recent decision by the Nebraska Supreme Court, Board of Regents v. Pinzon, 254 Neb. 145 (1998), the court established a broader definition of eligibility for unemployment benefits. Legislation on this topic was introduced in the Ninety-sixth Legislature, First Session, and was heard by the Business and Labor Committee of the Legislature but was not advanced. This study shall consider the following issues
 - i. Consideration of the unemployment benefits allowable to substitute teachers, paraeducators, and clerical staff;
 - ii. Consideration of the unemployment benefits allowable to terminated employees;
 - iii. Consideration of the process for collection of employment information and verification of status of employment when determining eligibility of benefits; and
 - iv. Consideration of the proper timing and allocation of unemployment benefits for retiring teachers, administrators, and school employees.

U. Workers' Compensation

LR 129	<i>Subject:</i> School Employees	<i>Introduced by:</i> Connealy	<i>Committee:</i> Business and Labor
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- 1. One-line Description:** Interim study of Nebraska's workers' compensation laws as they relate to public school employees.
- 2. Summary:** To initiate a study of Nebraska workers' compensation laws as they relate to public school employees in the state. This study shall consider the following issues
 - i. Consideration of the legal costs associated with the appeal process for employers in the Workers' Compensation Court;
 - ii. Consideration of the access to the Workers' Compensation Court by employers for the purposes of administrative paperwork, questions, and clarifications of claims awarded; and
 - iii. Consideration of the variations in loss of earning capacity evaluations conducted and utilized for awarding workers' compensation benefits.

LR 135	<i>Subject:</i> General Study	<i>Introduced by:</i> Vrtiska	<i>Committee:</i> Business and Labor
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- 1. One-line Description:** Interim study to examine certain aspects of the Nebraska workers' compensation system.
- 2. Summary:** The purpose of this study is to examine certain aspects of the Nebraska workers' compensation system to determine if modifications are needed. The study will focus on three areas of the Nebraska Workers' Compensation Act
 - i. Whether and under what circumstances employers who have secured the payment of compensation under the act but who are not approved self-insurers for workers' compensation purposes should be allowed to directly pay for medical services under section 48-120;
 - ii. whether changes should be made to the medical deductible provisions of section 48-146.03; and
 - iii. whether changes should be made to the definition of medical treatment under section 48-144.01 with respect to reportable injuries.

IX. Education Committee Priority Interim Studies

The following list of priority interim studies was compiled by members of the Education Committee. First priority studies will receive the bulk of attention from the committee while the second priority studies will receive limited attention from committee staff.

No.	Subject	Priority	Page
LR 155	Interim study to review safe school legislation	1	46
LR 182	Interim study to examine alternatives to the current method of calculating needs in the school finance formula	1	45
LR 185	Interim study to examine current and alternative approaches to student discipline	1	47
LR 222**	Interim study to examine ways through tax credits to encourage businesses to participate in quality child care for working families	1	42
LR 223***	Interim study to examine how early childhood programs can help assure the school success of all children	1	35
LR 226	Interim study to review the status of and propose alternatives to early childhood education in Nebraska	1	36
LR 256	Interim study to examine changes to statutes that would result in more effective discipline in public elementary and secondary schools	1	47
LR 98	Interim study to examine the shortage of teachers and administrators in Nebraska's public and private schools	2	43
LR 160*	Interim study of the process of filing school financial information with certain state agencies to better coordinate the process for estimating state aid	2	44
LR 179	Interim study to explore alternative possibilities for including a measure of taxpayers' capacity to pay property taxes in the school finance formula	2	44
LR 183	Interim study to examine alternative structures for the financing of educational facilities	2	36
LR 184	Interim study to examine the budget limitation process for Class I school districts	2	45
LR 186	Interim study to examine school size as it relates to educational efficiency and the school finance formula	2	45

* Joint assignment--Education, Revenue and Appropriations Committee

** Joint assignment--Education and Revenue Committee

*** Joint assignment--Education and Health and Human Services Committee

X. Legislative Bill Index

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LB 159.....	Held/Committee.....	30	LB 460.....	Killed.....	34	LB 745.....	Killed.....	34
LB 169.....	Held/Committee.....	30	LB 470.....	Killed.....	34	LB 758.....	Held/Committee.....	31
LB 173.....	Held/Committee.....	31	LB 471.....	Killed.....	34	LB 766.....	Killed.....	34
LB 180.....	Killed.....	33	LB 475.....	Passed/Signed.....	7	LB 769.....	Killed.....	34
LB 182.....	General File.....	29	LB 484.....	Held/Committee.....	31	LB 777.....	Killed.....	34
LB 194e.....	Passed/Signed.....	13	LB 486.....	Held/Committee.....	31	LB 782.....	Killed.....	34
LB 195.....	Passed/Signed.....	22	LB 487.....	Held/Committee.....	31	LB 791.....	General File.....	28
LB 253.....	Passed/Signed.....	16	LB 490.....	Killed.....	34	LB 801.....	General File	25
LB 256.....	Held/Committee.....	30	LB 491.....	Killed.....	34	LB 811	Held/Committee.....	31
LB 268.....	Passed/Signed.....	11	LB 492.....	Killed.....	34	LB 813e.....	Passed/Signed.....	23
LB 269.....	Killed.....	33	LB 494.....	Killed.....	34	LB 817.....	Held/Committee.....	30
LB 272.....	Passed/Signed.....	7	LB 495.....	General File.....	25	LB 826.....	Killed.....	34
LB 279.....	Killed.....	33	LB 497.....	Killed.....	34	LB 836.....	Held/Committee.....	31
LB 285.....	Killed	33	LB 506.....	Passed/Signed.....	12	LB 853.....	Killed.....	34
LB 287.....	Passed/Signed.....	8	LB 520.....	Killed.....	34	LB 854.....	Killed.....	34
LB 294.....	Killed.....	33	LB 528.....	Killed.....	34	LB 856.....	Held/Committee.....	31
LB 296.....	Killed.....	33	LB 535.....	Held/Committee.....	31	LB 857.....	Held/Committee.....	31
LB 301.....	Killed.....	33	LB 537.....	Killed.....	34	LB 859.....	Killed	34
LB 304.....	Held/Committee.....	31	LB 538e.....	Passed/Signed.....	16	LB 874.....	Killed.....	34
LB 311	Killed.....	33	LB 540.....	Held/Committee.....	31	LB 880e.....	Passed/Signed.....	9
LB 314e.....	Passed/Signed.....	18	LB 544.....	Held/Committee.....	31	LB 881e.....	Passed/Signed.....	14