

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 1316

Introduced by Linehan, 39.

Read first time January 17, 2024

Committee: Revenue

- 1 A BILL FOR AN ACT relating to the School District Property Tax Limitation
- 2 Act; to amend sections 79-3402 and 79-3405, Revised Statutes
- 3 Supplement, 2023; to eliminate provisions relating to the increase
- 4 of base growth percentage for school districts; to harmonize
- 5 provisions; and to repeal the original sections.
- 6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 79-3402, Revised Statutes Supplement, 2023, is
2 amended to read:

3 79-3402 For purposes of the School District Property Tax Limitation
4 Act, unless the context otherwise requires:

5 (1) Approved bonds means (a) bonds that are issued by a school
6 district after the question of issuing such bonds has been approved by
7 the voters of such school district and (b) bonds that are issued by a
8 school district pursuant to section 79-10,110, 79-10,110.01, or
9 79-10,110.02;

10 ~~(2) Average daily membership has the same meaning as in section~~
11 ~~79-1003;~~

12 (2) ~~(3)~~ Base growth percentage means the sum of:

13 (a) Three percent;

14 (b) The annual percentage increase in the student enrollment of the
15 school district multiplied by:

16 (i) One if the school district's student enrollment has grown by an
17 average of at least three percent and by at least one hundred fifty
18 students over the preceding three years;

19 (ii) Seven-tenths if the school district's student enrollment has
20 grown by an average of at least three percent over the preceding three
21 years; or

22 (iii) Four-tenths if subdivisions (2)(b)(i) ~~(3)(b)(i)~~ and (2)(b)(ii)
23 ~~(3)(b)(ii)~~ of this section do not apply;

24 (c) The percentage obtained by first dividing the annual increase in
25 the total number of limited English proficiency students in the school
26 district by the student enrollment of the school district and then
27 multiplying the quotient by fifteen hundredths; and

28 (d) The percentage obtained by first dividing the annual increase in
29 the total number of poverty students in the school district by the
30 student enrollment of the school district and then multiplying the
31 quotient by fifteen hundredths;

1 ~~(3)~~ ~~(4)~~ Department means the State Department of Education;

2 ~~(4)~~ ~~(5)~~ Non-property-tax revenue means revenue of a school district
3 from all state and local sources other than real and personal property
4 taxes. Non-property-tax revenue does not include grants, donations,
5 bonds, all revenue from a school district that has been merged into
6 another school district or dissolved, activity funds, bond funds,
7 cooperative funds, depreciation funds, employee benefit funds, nutrition
8 funds, qualified capital purpose undertaking funds, or student fee funds,
9 insurance proceeds, proceeds from the sale of property including land,
10 buildings, or capital assets in special building funds, or proceeds of
11 financing;

12 ~~(5)~~ ~~(6)~~ Property tax request means the total amount of property
13 taxes for the general and special building funds requested to be raised
14 for a school district through the levy imposed pursuant to section
15 77-1601;

16 ~~(6)~~ ~~(7)~~ Property tax request authority means the amount that may be
17 included in a property tax request for the general or special building
18 funds of the school district as determined pursuant to the School
19 District Property Tax Limitation Act;

20 ~~(7)~~ ~~(8)~~ School board has the same meaning as in section 79-101;

21 ~~(8)~~ ~~(9)~~ School district has the same meaning as in section 79-101;
22 and

23 ~~(9)~~ ~~(10)~~ Student enrollment means the total number of students in
24 the school district according to the fall school district membership
25 report described in subsection (4) of section 79-528.

26 Sec. 2. Section 79-3405, Revised Statutes Supplement, 2023, is
27 amended to read:

28 79-3405 (1) A school district's property tax request may exceed its
29 property tax request authority by an amount approved by a sixty percent
30 majority of legal voters voting on the issue at a special election called
31 for such purpose upon the recommendation of the school board of such

1 school district or upon the receipt by the county clerk or election
2 commissioner of a petition requesting an election signed by at least five
3 percent of the legal voters of the school district. The recommendation of
4 the school board or the petition of the legal voters shall include the
5 amount by which the school board would increase its property tax request
6 for the year over and above the property tax request authority of such
7 school district. The county clerk or election commissioner shall call for
8 a special election on the issue within thirty days after the receipt of
9 such school board recommendation or legal voter petition. The election
10 shall be held pursuant to the Election Act, and all costs shall be paid
11 by the school district.

12 ~~(2)(a) A school district may increase the base growth percentage~~
13 ~~used to determine its property tax request authority under section~~
14 ~~79-3403 by a percentage approved by an affirmative vote of at least~~
15 ~~seventy percent of the school board of such school district. The maximum~~
16 ~~base growth percentage that may be approved under this subsection shall~~
17 ~~be:~~

18 ~~(i) The base growth percentage that would otherwise be applicable~~
19 ~~plus an additional seven percent for school districts with an average~~
20 ~~daily membership of no more than four hundred seventy-one students;~~

21 ~~(ii) The base growth percentage that would otherwise be applicable~~
22 ~~plus an additional six percent for school districts with an average daily~~
23 ~~membership of more than four hundred seventy-one students but no more~~
24 ~~than three thousand forty-four students;~~

25 ~~(iii) The base growth percentage that would otherwise be applicable~~
26 ~~plus an additional five percent for school districts with an average~~
27 ~~daily membership of more than three thousand forty-four students but no~~
28 ~~more than ten thousand students; or~~

29 ~~(iv) The base growth percentage that would otherwise be applicable~~
30 ~~plus an additional four percent for school districts with an average~~
31 ~~daily membership of more than ten thousand students.~~

1 ~~(b) Before a school board votes to increase a school district's base~~
2 ~~growth percentage under this subsection, the school board shall publish~~
3 ~~notice of the upcoming vote in a legal newspaper of general circulation~~
4 ~~in the school district. Such publication shall occur at least one week~~
5 ~~prior to the public meeting at which the vote will be taken.~~

6 (2) ~~(3)~~ A school district's property tax request may exceed its
7 property tax request authority pursuant to any property tax authority
8 approved by the voters at a levy override election under section 77-3444
9 held prior to January 1, 2024.

10 Sec. 3. Original sections 79-3402 and 79-3405, Revised Statutes
11 Supplement, 2023, are repealed.