

LEGISLATURE OF NEBRASKA
NINETY-SEVENTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 532

Introduced by Hudkins, 21

Read first time January 11, 2001

Committee: Education

A BILL

1 FOR AN ACT relating to the Tax Equity and Educational Opportunities
2 Support Act; to amend sections 79-1016 and 79-1022,
3 Revised Statutes Supplement, 2000; to provide for changes
4 to adjusted valuation as prescribed; 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 79-1016, Revised Statutes Supplement,
2 2000, is amended to read:

3 79-1016. (1) On or before August 25, the county assessor
4 shall certify to the Property Tax Administrator the total taxable
5 value by school district in the county for the current assessment
6 year on forms prescribed by the Property Tax Administrator. On or
7 before October 10, the Property Tax Administrator shall compute and
8 certify to the State Department of Education the adjusted valuation
9 for the current assessment year for each class of property in each
10 school district and each local system. The adjusted valuation of
11 property for each school district and each local system, for
12 purposes of determining state aid pursuant to the Tax Equity and
13 Educational Opportunities Support Act, shall reflect as nearly as
14 possible state aid value as defined in subsection (2) of this
15 section. The Property Tax Administrator shall also notify each
16 school district and each local system of its adjusted valuation for
17 the current assessment year by class of property on or before
18 October 10. Establishment of the adjusted valuation shall be based
19 on assessment practices established by rule and regulation adopted
20 and promulgated by the Property Tax Administrator. The assessment
21 practices may include, but not be limited to, the appraisal methods
22 listed in section 77-112.

23 (2) For purposes of this section, state aid value means:

24 (a) For real property other than agricultural land, one
25 hundred percent of market value;

26 (b) For agricultural land, eighty percent of market value
27 as provided in sections 77-1359 to 77-1363. For agricultural land
28 that receives special valuation pursuant to section 77-1344, one

1 hundred percent of special valuation as defined in section 77-1343;
2 and

3 (c) For personal property, the net book value as defined
4 in section 77-120.

5 (3) On or before November 10, any local system may file
6 with the Property Tax Administrator written objections to the
7 adjusted valuations prepared by the Property Tax Administrator,
8 stating the reasons why such adjusted valuations are not the
9 valuations required by subsection (2) of this section. The
10 Property Tax Administrator shall fix a time for a hearing. Either
11 party shall be permitted to introduce any evidence in reference
12 thereto. On or before January 1, the Property Tax Administrator
13 shall enter an order modifying or declining to modify, in whole or
14 in part, the adjusted valuations and shall certify the order to the
15 State Department of Education. Modification by the Property Tax
16 Administrator shall be based upon the evidence introduced at
17 hearing and shall not be limited to the modification requested in
18 the written objections or at hearing. The final determination of
19 the Property Tax Administrator may be appealed to the Tax
20 Equalization and Review Commission in accordance with the Tax
21 Equalization and Review Commission Act.

22 (4) On or before November 10, any local system or county
23 official may file with the Property Tax Administrator a written
24 request for a nonappealable correction of the adjusted valuation
25 due to clerical error or, for agricultural land, assessed value
26 changes by reason of land qualified or disqualified for special use
27 valuation pursuant to sections 77-1343 to 77-1348. For purposes of
28 this subsection, clerical error means transposition of numbers,

1 allocation of value to the wrong school district, mathematical
2 error, and omitted value. On or before the following January 1,
3 the Property Tax Administrator shall approve or deny the request
4 and, if approved, certify the corrected adjusted valuations
5 resulting from such action to the State Department of Education.

6 (5) On or before January 5, any local system or county
7 official may file with the Property Tax Administrator a written
8 request to amend the adjusted valuation due to the annexation of
9 property, occurring on or before the preceding December 31, which
10 results in a loss of five percent or more of the assessed value, as
11 certified on the preceding October 10, of either the annexing
12 entity or the entity from which the property being annexed is
13 taken. On or before the following January 15, the Property Tax
14 Administrator shall approve or deny the request and, if approved,
15 recertify to the State Department of Education the corrected
16 adjusted valuations resulting from such action.

17 (6) No injunction shall be granted restraining the
18 distribution of state aid based upon the adjusted valuations
19 pursuant to this section.

20 ~~(6)~~ (7) A school district whose state aid is to be
21 calculated pursuant to subsection (4) of this section and whose
22 state aid payment is postponed as a result of failure to calculate
23 state aid pursuant to such subsection may apply to the state board
24 for lump-sum payment of such postponed state aid. Such application
25 may be for any amount up to one hundred percent of the postponed
26 state aid. The state board may grant the entire amount applied for
27 or any portion of such amount. The state board shall notify the
28 Director of Administrative Services of the amount of funds to be

1 paid in a lump sum and the reduced amount of the monthly payments.
2 The Director of Administrative Services shall, at the time of the
3 next state aid payment made pursuant to section 79-1022, draw a
4 warrant for the lump-sum amount from appropriated funds and forward
5 such warrant to the district.

6 Sec. 2. Section 79-1022, Revised Statutes Supplement,
7 2000, is amended to read:

8 79-1022. (1) On or before ~~April 17, 1999~~ and ~~on or~~
9 ~~before~~ February 1 ~~for~~ of each year, ~~thereafter~~, the department
10 shall determine the amounts to be distributed to each local system
11 and each district pursuant to the Tax Equity and Educational
12 Opportunities Support Act and shall certify the amounts to the
13 Director of Administrative Services, the Auditor of Public
14 Accounts, and each district. The amount to be distributed to each
15 district from the amount certified for a local system shall be
16 proportional based on the weighted formula students attributed to
17 each district in the local system. On or before ~~April 17, 1999~~ and
18 ~~on or before~~ February 1 ~~for~~ of each year, ~~thereafter~~, the
19 department shall report the necessary funding level to the
20 Governor, the Appropriations Committee of the Legislature, and the
21 Education Committee of the Legislature.

22 (2) Except as provided in subsection ~~(6)~~ (7) of section
23 79-1016, the amounts certified pursuant to subsection (1) of this
24 section shall be distributed in ten as nearly as possible equal
25 payments on the last business day of each month beginning in
26 September of each ensuing school fiscal year and ending in June of
27 the following year, except that when a school district is to
28 receive a monthly payment of less than one thousand dollars, such

1 payment shall be one lump-sum payment on the last business day of
2 December during the ensuing school fiscal year. Such certified
3 state aid amounts shall be shown as budgeted non-property-tax
4 receipts and deducted prior to calculating the property tax request
5 in the district's general fund budget statement as provided to the
6 Auditor of Public Accounts pursuant to section 79-1024.

7 Sec. 3. Original sections 79-1016 and 79-1022, Revised
8 Statutes Supplement, 2000, are repealed.