

LEGISLATURE OF NEBRASKA
NINETY-SIXTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 540

Introduced by Bohlke, 33

Read first time January 19, 1999

Committee: Education

A BILL

1 FOR AN ACT relating to the Tax Equity and Educational Opportunities
2 Support Act; to amend section 79-1027, Revised Statutes
3 Supplement, 1998; to change provisions relating to
4 reserve increases; and to repeal the original section.
5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 79-1027, Revised Statutes Supplement,
 2 1998, is amended to read:

3 79-1027. No district shall adopt a budget, which
 4 includes contingency funds, depreciation funds, and necessary
 5 general fund cash reserves, exceeding the applicable allowable
 6 reserve percentages of total general fund budget of expenditures as
 7 specified in the schedule set forth in this section.

8	Average daily	Allowable
9	membership of	reserve
10	district	percentage
11	0 - 471	45
12	471.01 - 3,044	35
13	3,044.01 - 10,000	25
14	10,000.01 and over	20

15 On or before December 1 of each year, the department
 16 shall determine and certify each district's applicable allowable
 17 reserve percentage.

18 Each district with combined necessary general fund cash
 19 reserves, depreciation funds, and contingency funds less than the
 20 applicable allowable reserve percentage specified in this section
 21 may, notwithstanding the district's applicable allowable growth
 22 percentage, increase its necessary general fund cash reserves by an
 23 amount which will increase its combined necessary general fund cash
 24 reserves, depreciation funds, and contingency funds by ~~two percent~~
 25 the percentage of its total general fund budget of expenditures set
 26 forth in the schedule in this section, except that (1) a district
 27 shall not increase such necessary general fund cash reserves when
 28 such increase will result in total necessary general fund cash

1 reserves, depreciation funds, and contingency funds which exceed
 2 the applicable allowable reserve percentage and (2) a district may
 3 increase such necessary general fund cash reserves in excess of
 4 such ~~two percent~~ percentage limitation as specified in the schedule
 5 set forth in this section due to projected increases in federal
 6 funds.

	<u>Average daily</u>	<u>Allowable annual</u>
	<u>membership of</u>	<u>reserve</u>
	<u>district</u>	<u>growth</u>
10	<u>0 - 471</u>	<u>4.5</u>
11	<u>471.01 - 3,044</u>	<u>3.5</u>
12	<u>3,044.01 - 10,000</u>	<u>2.5</u>
13	<u>10,000.01 and over</u>	<u>2.0</u>

14 Sec. 2. Original section 79-1027, Revised Statutes
 15 Supplement, 1998, is repealed.