COMMITTEE STATEMENT LB 719

HEARING DATE: March 11, 1991 COMMITTEE ON: EDUCATION TITLE: LB 719 (Withem) Change a date for affiliation of school districts

ROLL CALL VOTE, FINAL COMMITTEE ACTION Advanced to General File

Y Advanced to General File with amendments Indefinitely Postponed

Vote results:

- 7 Yes Senators Nelson, Lamb, Schrock, Withem, Beutler, Dierks, Warner
- 0 No
- 0 Present, not voting
- 1 Absent Senator Chizek

| PROPONENTS | Representing |
|--------------------|----------------------------------|
| Senator Ron Withem | Introducer |
| Larry J. Scherer | for the Introducer |
| Gerald Ehlers | Class III School Districts of NE |
| John Brennan | Class III School Districts of NE |
| Larry Vontz | State Board of Education |
| Tim Kemper | State Board of Education |
| Trent Nowka | Farm Bureau |
| Dale Siefkes | NASB |
| June Remington | NCSA |
| Douglas Jensen | Self |
| Gary Grasmick | Cedar Canyon School |
| Duane Stehlik | NRCSA |
| | |
| OPPONENTS | Representing |
| | |
| NEUTRAL | Representing |
| | |

Summary of purpose and/or changes:

Legislative Bill 719 changes from July 1 to June 30 the date on which grades nine through twelve affiliation becomes grades kindergarten through twelve affiliation of Class I school districts. Currently all property and students are to be included in systems offering K-12 education by July 1, 1994.

Explanation of Amendments, if any: Amendments would:

1. Clarify the definition of "affiliated school system" to assure that affiliation with more than one K-12 district is permissible. An affiliated school system would include one high school and all Class I districts or parts thereof which have affiliated with such high school district.

2. Clarify how additional services will be provided to Class I districts. Under LB 259, the additional services were to be

requested by the Class I board and provided by the high school district with the costs for services flowing-through the high school district's budget. There were questions about when a high school district would be required to provide services and accountability for costs under LB 1059 lid. The amendment would have Class I boards contract for services with either the high school district or any other provider. Costs would flow through the Class I budget. Because all property tax requirements are shared in the common levy, all districts in the affiliated system would share the burden of providing services needed by affiliated Class I districts.

3. Clarify that enrollment at other districts within an affiliated system would occur under the provisions of the Enrollment Options law.

4. Delete the special budget limitation applicable to school districts involved in an affiliated school system because all school districts have a budget limitation under LB 1059 (1990).

5. Provide that Class I districts which dissolve after July 1, 1992 may be merged with another Class II, III, IV, V or VI school district unless otherwise stated in the affiliation petition. If merged with an affiliated Class I, the area will retain its original affiliation. If merged with a Class I part of a Class VI, then the area will become part of the Class VI.

6. Provide that if a Class II, III, IV, or V school district, with which a Class I district is affiliated, dissolves after July 1, 1992, then such Class I may affiliate with any Class II, III, IV, or V school district, unless otherwise provided in the affiliation petition.

7. Provide a method for addressing declining nonresident tuition revenues in the state aid formula. K-12 districts would be held accountable for current nonresident tuition revenues as well as the valuation of affiliated Class I property (in the application of the local effort rate). Currently two year old data is used.

8. Clarify that all "taxable" property as opposed to "real" property is a part of affiliation.

9. Eliminate the option for Class I districts to affiliate with a Class VI district. Class I districts could still become a part of the Class VI. It is impossible to compute a common levy with a Class VI district which has a high school only levy.

10. Provide for state aid to districts involved in an affiliated school system consistent with LB 1059.

11. Clarify the time period for which the high school and affiliation levies become effective and the nonresident tuition levy no longer applies (the ensuing school year).

12. Clarify responsibility for reimbursement for tuition costs of students, who pursuant to an affiliation plan, continue their education in the same districts as they were enrolled prior to affiliation.

13. Clarify when the standards for review of affiliation plans and petitions will apply.

14. Phase II, high school only, affiliation is eliminated; affiliation would immediately apply to a K-12 situation with a K-12 affiliation levy.

15. The date by which Class I districts not a part of a Class VI district would have to affiliate, merge or join a Class VI district would be delayed one year, until February 1. 1993.

Page 3

16. Eliminated the blended or average levy within a Class I district which affiliates with more than one K-12 district so that each portion of Class I which affiliates with a K-12 district will have a common levy with the K-12 district with which it affiliates.

17. Clarify that Class VI districts may be formed by "board to board" or "voter to board" petitions as under current law; clears up a drafting error.

18. Require that affiliation plans or petitions must include all land owned by a resident landowner in an affiliation with one K-12 district as follows: all land owned by a resident landowner which is contiguous to the resident of such landowner; all non-contiguous land owned by a resident landowner unless the geographic center of the land is closer to a different school district.

Chairperson