

## LEGISLATIVE BILL 487

Approved by the Governor May 26, 1989

Introduced by Education Committee, Withem, 14,  
Chairperson; Baack, 47; Crosby, 29;  
Nelson, 35; Dierks, 40; Chizek, 31;  
Bernard-Stevens, 42; McFarland, 28

AN ACT relating to schools; to amend sections 79-314, 79-449.01, 79-451, 79-486, 79-1302, 79-1306, 79-1331, 79-1333, 79-1333.02, and 79-3301, Reissue Revised Statutes of Nebraska, 1943, and sections 79-4,102, 79-4,141.01, and 79-4,207, Revised Statutes Supplement, 1988; to change due dates, filing requirements, and other provisions related to various reports; to eliminate a school district's option concerning designation of the school certain children must attend; to require the county superintendent to prepare budgets when a school district fails to do so; to change provisions relating to the distribution of school funds to a county with only one school district as prescribed; to eliminate a January school district membership report; to change the fiscal year for special education programs and authorize the use of appropriated funds as prescribed; to eliminate a provision on failure of certain school districts to vote a levy or provide a school and provisions on the Nebraska Commission for Special Education; to harmonize provisions; to provide operative dates; to repeal the original sections, and also sections 79-512.01 and 79-3201 to 79-3204, Reissue Revised Statutes of Nebraska, 1943; and to declare an emergency.

Be it enacted by the people of the State of Nebraska,

Section 1. That section 79-314, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

79-314. The county superintendent shall examine ~~into~~ the correctness of the reports of the district boards; and may, when necessary, require ~~the same them~~ to be amended. He or she shall endorse his or her approval on such as he shall find the reports found to be correct; and transmit duplicate reports of the

annual statistical summary and the annual financial report of each Class I, II, and VI district on or before August 15 and each Class III, IV, and V district of the county on or before November 1 to the Commissioner of Education and such other information as may be required of him by the commissioner on or before July 31 to the Commissioner of Education. The county superintendent shall also transmit duplicate reports of the annual financial report of each Class I school district on or before October 1 to the commissioner and notify the commissioner of any amendments required to the annual financial report of each Class II, III, IV, V, and VI school district of the county on or before November 15.

Sec. 2. That section 79-449.01, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

79-449.01. At the end of each semester school year, the chief executive officer of any public or nonpublic secondary school shall report to the Commissioner of Education the names of those children who are not in school by reason of having dropped out or having been excluded or expelled from school during the period covered by the report, on a form prescribed by the Commissioner of Education, and shall furnish a copy thereof to the county or district superintendent. Such notice shall also include a report of any child who, during the period covered by the report, returns to school in any school in this state after having been excluded or expelled, or after having dropped out of school prior to the completion of the twelfth grade.

Sec. 3. That section 79-451, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

79-451. The secretary shall:

(1) On or before July 20 in all classes of school districts, deliver to the county superintendent, to be filed in his or her office, a report under oath showing the whole number of children belonging to the school district between the ages of five and twenty-one years according to the census taken aforsaid as provided in section 79-458. Such report shall identify the number of boys and the number of girls in each of the respective age categories. Each Class I school district which is part of a Class VI school district offering instruction (a) in grades kindergarten through six shall report those children who are five through eleven years old, and (b) in grades kindergarten through eight shall report those children who are five through thirteen years old. Each Class VI

school district offering instruction ~~(e)~~ (i) in grades seven through twelve shall report those children who are twelve through eighteen years old; and ~~(d)~~ (ii) in grades nine through twelve those children who are fourteen through eighteen years old. Each Class I school district which is not a part of a Class VI school district shall report those children who are five through twenty-one years old. Any school district board or board of education of any such district neglecting to take the enumeration and make return of the same enumeration shall be liable to the school district for all school money which such district may lose by such neglect.

(2) On or before July 15 in all school districts, deliver to the county superintendent, to be filed in his or her office, a report under oath described as an end-of-the-school-year annual statistical summary showing (a) the number of children attending school during the year under five years of age and also the number over twenty-one years of age, (b) the length of time the school has been taught during the year by a qualified teacher, (c) the length of time taught by each substitute teacher and the wages paid to each, and (d) such other information as the Commissioner of Education directs; and

(3) On or before October 1 in Class I school districts, submit to the county superintendent, to be filed in his or her office, and on or before November 1 in Class II, III, IV, V, and VI school districts, submit to the county superintendent and to the Commissioner of Education, to be filed in their offices, and on or before October 1 in Class I and II districts; and on or before November 1, in Class III, IV, V, and VI districts; deliver to the county superintendent, to be filed in his office, a report under oath described as the annual financial report showing (1) the number attending school during the year under five and also the number over twenty-one years of age; (2) the whole number that have attended school during the year; (3) the whole number in the district between the ages of seven and sixteen years, inclusive; (4) the length of time the school has been taught during the year by a qualified teacher; the length of time taught by each teacher; and the wages paid to each; (5) the total number of days all pupils between the ages of five and twenty-one years have attended school during the year; (6) (a) the amount of money received from the county treasurer all sources during the year and the amount of

money expended by the school district during the year, (b) ; (7) the rate of tax levied for all school purposes, (c) ; (8) the amount of bonded indebtedness, (d) such other information as shall be necessary to fulfill the requirements of sections 79-4.102, 79-1331, 79-1333, 79-1338, and 79-3304, and (e) such other information ; and (9) such other facts and statistics as the Commissioner of Education shall direct directs.

Sec. 4. That section 79-486, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

79-486. (1) The governing board of any public school district in this state, when authorized by a majority of the votes cast at any annual or special meeting, shall (a) contract with the board of any neighboring public school district or districts for the instruction of all or any part of the pupils residing in the first-named district in the school or schools maintained by the neighboring public school district or districts for a period of time not to exceed three years; and (b) make provision for the transportation of such pupils to the school or schools of the neighboring public school district or districts.

(2) The governing board of any public school district may also, when petitioned to do so by at least two-thirds of the parents residing in the district having children of school age who will attend school under the contract plan, in its discretion, (a) contract with the board of any neighboring public school district or districts for the instruction of all or any part of the pupils residing in the first-named district in the school or schools maintained by the neighboring public school district or districts for a period of time not to exceed three years; and (b) make provision for the transportation of such pupils to the school or schools of the neighboring public school district or districts.

(3) The contract price for instruction referred to in subsections (1) and (2) of this section shall be the cost per pupil for the immediately preceding school year or the current year whichever appears more practical as determined by the governing board of the district which accepts the pupils for instruction. The cost per pupil shall be determined by dividing the sum of the operational cost and debt service expense of the accepting district, except retirement of debt principal, plus three percent of the insurable or present value of the school plant and equipment of the accepting district, by the average daily membership of pupils in the accepting district.

Payment of the contract price shall be made in equal installments at the beginning of the first and second semesters.

(4) All the contracts, referred to in subsections (1) and (2) of this section, shall be in writing, and copies of all such contracts shall be filed in the office of the county superintendent on or before August 15 of each year. The form of such contracts shall be prescribed by the Commissioner of Education. School districts, thus providing instruction for their children in neighboring districts, shall be considered as maintaining a school as required by law. The teacher of the school providing the instruction shall keep a separate record of the attendance of all pupils from the first-named district and make a separate report to the secretary of that district. The school board of every sending district contracting under the provisions of this section shall be required to enter into contracts with school districts of the choice of the parents of the children to be educated under the contract plan,       ; PROVIDED, that if the total tuition and transportation costs to the sending district would exceed the average cost for the immediately preceding school year of operating the schools of this class in the county that were actually open and in operation the school board of the sending district may contract with school districts of the parents' choice or the school board of the sending district may designate the school or schools the children may attend. Any school district, failing to comply with the provisions of this section, shall not be paid any funds from the state apportionment of school funds while such violation continues. The county superintendent may, in his or her discretion, dissolve any district (a) failing to comply with the provisions of this section, (b) or in which the votes cast at an annual or special election on the question of contracting with a neighboring district are evenly divided, or (c) in which the governing body of the district is evenly divided in its vote on the question of contracting pursuant to subsection (2) of this section.       The       ; PROVIDED, that the county superintendent shall dissolve and attach to a neighboring district or districts any school district which, for five consecutive years, contracts for the instruction of its pupils, except that in instances where when such dissolution shall will create extreme hardships on the pupils of the district affected, the State Board of Education may, on application by the school board of the district and the recommendation of



the county superintendent of the county in which the district is located, waive the requirements of this subsection. The dissolution of any school district pursuant to the provisions of this section shall be effected in the manner prescribed in section 79-420. School districts that have contracted for instruction for two or more consecutive years shall, before reopening the schoolhouse within the district, have an enrollment of at least five pupils whose parents or legal guardians are legal voters of the school district in accordance with the provisions of section 79-427 and shall apply to the county superintendent for approval to reopen that schoolhouse for school use. The county superintendent shall, before granting that approval, personally inspect the school building and toilets and approve them as being safe, clean, and sanitary. He or she shall also inspect the supplies, equipment, and furnishings and approve them as being adequate for proper instruction.

Sec. 5. That section 79-4,102, Revised Statutes Supplement, 1988, be amended to read as follows:

79-4,102. (1) The county superintendent of each county in which a Class VI school is not maintained shall, within thirty days after the annual meeting, certify to the county board of supervisors or commissioners the number of qualified pupils whose parents or guardians have applied to the county superintendent for nonresident high school tuition privileges or special education requirements and a list of school districts and servicing agencies for handicapped pupils which have been approved by the State Board of Education as schools or service agencies qualified to grant nonresident public high school education or special education programs to nonresident pupils under sections 79-494 to 79-4,105 for nonhandicapped pupils and under sections 79-3315 and 79-3336 for handicapped high-school-age pupils.

(2) The high school tuition rate for nonresident pupils shall be determined annually by the finance division of the State Department of Education on a uniform taxation basis for the support of the high school program of the receiving district. Based on data provided to the State Department of Education pursuant to the requirements of sections 79-451, 79-1331, and 79-1333.02, data identifying the residence of registered nonresident students provided by the county superintendents, and such other data necessary to complete the calculations required by this section, the

high school tuition charge shall be determined as follows:

(a) The total current expense of the receiving district as shown under the secondary column on the most recent annual ~~term summary~~ financial report on file with the State Department of Education, for operations supporting the program in grades nine through twelve only, and when necessary, adjustments shall be made to reflect such expenses for grades nine through twelve based on the weighted values per grade level established in section 79-1334, shall be determined;

(b) A combined valuation tax base shall be established, from data on file with the county assessors and the Department of Revenue, based on the sum of the total current valuation of the receiving district and a proportionate share of the current valuation of all existing Class I school districts not a part of any Class VI school district in each county where nonresident students reside who have registered to attend the receiving district for the immediately preceding five-year period. The receiving district's proportionate share of such Class I school district valuation shall be determined by multiplying the total current valuation of the existing Class I school districts not a part of any Class VI school district in each county ~~times~~ by a ratio equal to the total number of nonresident students from each such county who have registered to attend the receiving district for the immediately preceding five-year period compared to the total number of nonresident students who have registered in each such county for the immediately preceding five-year period;

(c) The receiving district's proportionate share of Class I valuation, determined in subdivision (b) of this subsection, shall be divided by the combined valuation tax base, determined in subdivision (b) of this subsection, to derive a percentage. Such percentage shall be multiplied by the total current expense figure of the receiving district, determined in subdivision (a) of this subsection, to arrive at a figure representing the nonresident students' unadjusted share of operational expense. To such share shall be added a facility rental charge equal to five percent of the insurable or present value of the school plant and equipment used in support of the program operated in grades nine through twelve multiplied by the percent equal to the number of nonresident students from existing Class I school districts not a part of any Class VI school districts who have registered to attend

the receiving district for the immediately preceding five-year period for which enrollment data is available divided by the total enrollment of the receiving district in grades nine through twelve for such five-year period;

(d) The total current charge for nonresident high school students, determined in subdivision (c) of this subsection, shall be adjusted to reflect increasing or decreasing costs. The total current charge for nonresident students shall be multiplied by the annual cost-of-education index to be established by the State Department of Education. Such index shall be based on the average of the annual increases and decreases in the total disbursements in support of the operation of the public schools during the immediately preceding five-year period for which such information is available. The cost-of-education index shall be computed annually pursuant to guidelines established in the rules and regulations adopted and promulgated by the State Board of Education;

(e) There shall be added to the adjusted nonresident tuition charge, determined in subdivision (d) of this subsection, an additional service charge for handicapped pupils as provided by the rules and regulations adopted and promulgated by the State Board of Education pursuant to section 79-3348; and

(f) After May 30, 1987, and on or before July 15, 1987, the State Department of Education shall recertify such total high school tuition charge for the 1987-88 school year to the receiving district. The superintendent of the receiving district shall recertify the nonresident high school tuition charge for the 1987-88 school year to the county superintendent for transmittal to the county treasurer and each receiving district on or before July 31, 1987. On July 15, 1988, and each year thereafter, the State Department of Education shall certify the total high school tuition charge to the receiving district. The superintendent of the receiving district shall certify the nonresident high school tuition charge for the 1988-89 school year and each school year thereafter to the county superintendent for transmittal to the county treasurer and each receiving district on or before July 31 of each year.

(3) Any taxpayer may appeal from the action of the county board of equalization concerning nonresident high school tuition in the manner provided in sections 77-1606 to 77-1610. The county treasurer, the county superintendent, and each school district receiving funds



from the nonresident high school tuition affected by the appeal shall be necessary parties. If the taxpayer alleges that the levy for nonresident high school tuition is for an unlawful or unnecessary purpose or in excess of the requirements of the school district fixing nonresident high school tuition, such appeal shall not in any manner suspend the collection of any tax nor the duties of the officers relating to such tax collection while such appeal is pending. Notwithstanding section 77-1606, such appeal shall not suspend or stay in any manner the distribution of nonresident high school tuition funds.

(4) A taxpayer initiating an appeal may, as a part of such appeal and without instituting a separate action, apply to the court for injunctive relief pursuant to sections 25-1062 to 25-1080 to stay or suspend the distribution of nonresident high school tuition funds while the appeal is pending. If an appeal is brought under this subsection and the court orders the taxpayer to give security, such security shall be an amount sufficient to secure the party enjoined and any other necessary party the damages he, she, or it may sustain; if the court decides that the injunction was wrongfully granted.

Sec. 6. That section 79-4,141.01, Revised Statutes Supplement, 1988, be amended to read as follows:

79-4,141.01. In each school district the board of education shall cause to be examined annually by a public accountant or by a certified public accountant all financial records which are maintained directly or indirectly in the administration and management of public school funds, except that the financial records of a Class I school district shall be examined by a public accountant or certified public accountant every three years. Rules and regulations governing the scope, extent, pattern, and report of the examination shall be adopted and promulgated by the State Board of Education with the advice and counsel of the Auditor of Public Accounts. A copy of the report for all Class II, III, IV, V, and VI school districts shall be filed with the Commissioner of Education and with the Auditor of Public Accounts on or before November 15. A ~~7~~ except that a copy of a the report regarding the examination of a Class I school district shall only be filed with the Commissioner of Education and with the county superintendent on or before October 15. No distributable state or federal funds shall be allocated for a given fiscal year to any school district

which has failed, after due notice, to comply with this section by January 15.

Sec. 7. When any school board or board of education of any class of school district fails to approve a general fund budget prior to the beginning of the ensuing fiscal year, a budget document shall be prepared by the county superintendent of the county where the administrative headquarters of the school district is located using the total budget of expenditures from the immediately preceding fiscal year plus an adjustment equal to the cost-of-education index established by the State Department of Education pursuant to section 79-4,102. The county superintendent shall also prepare an equivalent budget for receipt of local, county, state, and federal revenue.

Sec. 8. That section 79-4,207, Revised Statutes Supplement, 1988, be amended to read as follows:

79-4,207. (1) Each local school board, after making a determination that an actual or potential environmental hazard exists within the school buildings or grounds under its control, may make and deliver to the county clerk of such county in which any part of the school district is situated, not later than the first Monday in August, an itemized estimate of the amounts necessary to be expended for the abatement of such environmental hazards in its school buildings or grounds. Each local school board shall conduct a public hearing on the itemized estimate prior to presenting such estimate to the county clerk. Notice of the place and time of such hearing shall, at least five days prior to the date set for hearing, be published in a newspaper of general circulation within the school district or be sent by direct mailing to each resident within the school district.

(2) For purposes of this section, environmental hazard shall mean any contamination of the air, water, land surface, or subsurface caused by any substance adversely affecting human health or safety if such substance has been declared hazardous by a federal or state statute, rule, or regulation.

(3) It shall be the duty of the county clerk to levy such taxes, not to exceed three and one-half cents per one hundred dollars of taxable valuation, on the taxable property of the school district necessary to cover the abatement costs itemized by the school board. Such taxes shall be collected by the county treasurer at the same time and in the same manner as county taxes are collected and when collected shall be paid to the

treasurer of the proper school district and used to cover the abatement costs.

(4) Each school district which submits an itemized estimate shall establish an environmental hazard abatement fund. Taxes collected pursuant to this section shall be credited to such fund to cover the abatement costs. Such estimates may be presented to the county clerk and taxes levied accordingly. In no event, however, may a school board present any such estimates after August 1, 1993. The Commissioner of Education Director of Health shall, by January 1, 1993, deliver a report to the Legislature estimating the amount of hazardous materials which remain in the public schools of the state.

(5) The itemized estimate submitted by a school board may include the actual cost of abatement of an environmental hazard when such abatement occurred prior to the delivery of such estimate to the county clerk and was completed after June 28, 1982.

(6) For purposes of this section, the term abatement shall include, but not be limited to, any inspection and testing regarding environmental hazards, any maintenance to reduce or eliminate environmental hazards, any removal of environmentally hazardous material or property, any restoration or replacement of material or property, any related architectural and engineering services, and any other action to reduce or eliminate environmental hazards in the school buildings or grounds under the school board's control, except that the term abatement shall not include the encapsulation of any material containing more than one percent friable asbestos.

Sec. 9. That section 79-1302, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

79-1302. (1) The State Treasurer shall each year on or before the third Monday in January, make a complete exhibit of all money belonging to the school fund of the state as returned to him or her from the several counties together with the amount derived from other sources and deliver the same such exhibit duly certified to the Commissioner of Education. Within twenty days thereafter, the Commissioner of Education shall make the apportionment of the funds in such counties as follows: From the whole amount there shall be paid to those districts in which there are school or saline lands and to the nonresident high school fund of the county an amount in lieu of tax money that would be raised if such lands were taxable, to be fixed in the

manner prescribed in section 79-1303; and the remainder shall be apportioned to the counties according to the pro rata enumeration of children between the ages of five and eighteen years in each county last returned from the county superintendent.

(2) The Commissioner of Education shall certify the amount of the apportionment of the State School Fund as provided in subsection (1) of this section; to the superintendent of the proper county and to the Director of Administrative Services. The Director of Administrative Services shall draw a warrant on the State Treasurer in favor of the various counties for the respective amounts so certified by the Commissioner of Education. In a county with only one school district, the Director of Administrative Services shall draw the warrant in favor of the school district and forward such warrant to the county superintendent of such county.

Sec. 10. That section 79-1306, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

79-1306. After (1) In a county that has more than one school district, after making such apportionment the county superintendent shall ~~(1) (a)~~ enter the apportionment immediately in a book kept for that purpose; and furnish the county treasurer with a certified copy of such apportionment, ~~(2) (b)~~ furnish each of the secretaries of the respective districts in ~~his~~ the county a certificate; showing the amount due such district, and ~~(3) (c)~~ draw warrants on the county treasurer in favor of each individual district or certify to the county treasurer the amount due such district for its share of the state apportionment.

(2) If there is only one school district in the county, the county superintendent shall enter the apportionment immediately in a book kept for that purpose and forward the warrant to such school district.

Sec. 11. That section 79-1331, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

79-1331. As used in the School Foundation and Equalization Act, unless the context otherwise requires:

(1) Classroom teacher shall mean a certificated teacher who has major responsibility for the instruction of one or more classes of pupils;

(2) District shall mean a school district approved for continued legal operation under rules and regulations established by the State Board of Education pursuant to subdivision (5)(c) of section 79-328;

(3) Per pupil cost shall mean a district's current operating expense as shown in the district's annual financial report to the State Department of Education, divided by the average daily membership of resident and nonresident pupils for the preceding school year;

(4) Operating funds shall mean a district's current operating revenue for a fiscal year as shown in the district's annual financial report to the State Department of Education;

(5) Summer school program shall mean a program consisting of thirty days of school at three hours per day, or the equivalent, conducted by a district to meet the academic needs of its pupils during a period other than the regular school year; and

(6) Fall school district membership report shall mean a report setting forth the number of children between the ages of five and twenty-one enrolled in the district on the last Friday in September of a given school year. The report shall enumerate (a) resident students by grade level and nonresident students by grade level and classification, including, but not limited to, nonresident high school, wards of the court, or contract, (b) eligible children in gifted and deprived programs as approved and verified by the state, (c) children eligible to be transported by bus according to section 79-490, and (d) total assessed valuation for the current fiscal year; and

~~(7) January school district membership report shall mean a report setting forth the number of children between the ages of five and twenty-one enrolled in the district on the first Friday in January of a given school year. Such report shall contain the information prescribed in subdivisions (6)(a) through (6)(d) of this section.~~

Sec. 12. That section 79-1333, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

79-1333. (1) Financial assistance for the 1981-82 school year and each school year thereafter shall be based upon the second preceding school year's annual financial report and the preceding school year's ~~(a) fall school district membership report, or (b) January school district membership report, if such school district chooses to submit such January school district membership report.~~ The State Department of Education shall determine the amount to be distributed to the various school districts and certify such amounts to the Director of Administrative Services. Each amount



shall be distributed in nine as nearly as possible equal monthly payments on the last business day of each month; beginning in October, 1983 and each October thereafter; except that a school district may apply for early payment as provided in subsection (2) of this section. The State Treasurer shall, on the business day preceding the last business day of each month, notify the Director of Administrative Services of the amount of funds available in the General Fund for payment purposes. The Director of Administrative Services shall, on the last business day of each month, draw warrants against funds appropriated. The annual financial reports shall be submitted to the State Board Commissioner of Education by county superintendents for Class I and II school districts on or before the first day of October of each year and shall be submitted to the Commissioner of Education by Class II, III, IV, V, and VI school districts on or before the first day of November of each year. When any Class I or II school district fails to submit its report district's annual financial report has not been received by the Commissioner of Education by the first day of October, any state assistance granted pursuant to the School Foundation and Equalization Act shall be based on the amount granted for the previous fiscal year and shall be reduced by ten percent of that amount, and when any such district fails to submit its report has not been received by the first day of November, it the district shall forfeit all assistance pursuant to such act for that year. When any Class II, III, IV, V, or VI school district fails to submit its report to the Commissioner of Education by the first day of November, any state assistance granted pursuant to such act shall be based on the amount granted for the previous fiscal year and shall be reduced by ten percent of that amount, and when any such district fails to submit its report by the fifteenth day of November, it shall forfeit all assistance pursuant to such act for that year.

(2) A school district which receives federal funds in excess of twenty-five percent of its current operations budget may apply for early payment of state financial assistance paid pursuant to the School Foundation and Equalization Act when such federal funds are not received in a timely manner. Such application may be made at any time by a school district suffering such financial hardship and may be for any amount up to fifty percent of the remaining amount to which the district is entitled during the current fiscal year. The State Board of Education may grant the entire amount

applied for or any portion of such amount if, after a hearing, the board finds that a financial hardship exists in the district. The board shall notify the Director of Administrative Services of the amount of funds to be paid in lump sum and the new reduced amount of the monthly payments. The Director of Administrative Services shall, within five days after such notification, draw a warrant for the lump-sum amount from appropriated funds and forward such warrant to the district. As used in this subsection, financial hardship shall mean a situation in which income to a district is exceeded by liabilities to such a degree that if early payment is not received it will be necessary for the district to discontinue vital services or functions.

Sec. 13. That section 79-1333.02, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

79-1333.02. (1) Annually on or before October 5, each school district shall deliver to the county superintendent the fall school district membership report. Each county superintendent shall annually, not later than October 15, file a copy of such report with the State Department of Education. When any school district fails to submit its fall school district membership report by November 1, any state assistance granted pursuant to the School Foundation and Equalization Act shall be based on the amount granted for the previous fiscal year and shall be reduced by ten percent of that amount, and when such district fails to submit its fall school district membership report by November 15, it shall forfeit all assistance pursuant to such act for that year.

(2) A school district may also submit to the county superintendent, not later than January 15 of each year, a January school district membership report. Such report may be used to aid in determining the amount of financial assistance such school district receives pursuant to section 79-1333.

Sec. 14. That section 79-3301, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

79-3301. Sections 79-3301 to 79-3365 and section 15 of this act shall be known and may be cited as the Special Education Act.

Sec. 15. The fiscal year for all programs reimbursed pursuant to the Special Education Act shall begin on September 1 of each year and end on August 31 of the following year. Funds appropriated for any

period ending on June 30 of a given year for actual transportation expenses for handicapped children pursuant to section 79-3322 may be spent or obligated through August 31 of that year for such purpose.

Sec. 16. Sections 1 to 13 and 17 of this act shall be operative three calendar months after the adjournment of this legislative session. The other sections of this act shall be operative on their effective date.

Sec. 17. That original sections 79-314, 79-449.01, 79-451, 79-486, 79-1302, 79-1306, 79-1331, 79-1333, and 79-1333.02, Reissue Revised Statutes of Nebraska, 1943, and sections 79-4,102, 79-4,141.01, and 79-4,207, Revised Statutes Supplement, 1988, and also sections 79-512.01 and 79-3201 to 79-3204, Reissue Revised Statutes of Nebraska, 1943, are repealed.

Sec. 18. That original section 79-3301, Reissue Revised Statutes of Nebraska, 1943, is repealed.

Sec. 19. Since an emergency exists, this act shall be in full force and take effect, from and after its passage and approval, according to law.