

LEGISLATURE OF NEBRASKA
ONE HUNDRED THIRD LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 179

Introduced by Kintner, 2; Murante, 49; Price, 3; Smith, 14.

Read first time January 14, 2013

Committee: Education

A BILL

1 FOR AN ACT relating to learning communities; to amend sections
2 11-119, 13-503, 13-508, 13-511, 13-903, 13-2202, 32-567,
3 77-1601.02, 77-1614, 77-1624, 77-1702, 77-1708, 77-1772,
4 77-2201, 77-2202, 79-102, 79-407, 79-415, 79-416, 79-433,
5 79-452, 79-458, 79-458.01, 79-467, 79-468, 79-473,
6 79-549, 79-760.02, 79-850, 79-979, 79-1074, 79-1075,
7 79-1083, 79-10,120, 79-10,126, and 79-1210, Reissue
8 Revised Statutes of Nebraska, and sections 32-546.01,
9 32-604, 32-1203, 68-907, 70-651.04, 77-1704.01,
10 77-2704.15, 77-3442, 79-201, 79-215, 79-233, 79-237,
11 79-238, 79-408, 79-413, 79-527, 79-528, 79-611,
12 79-760.03, 79-760.05, 79-769, 79-777, 79-1003,
13 79-1007.05, 79-1007.11, 79-1007.18, 79-1007.22,
14 79-1008.02, 79-1013, 79-1014, 79-1022, 79-1024, 79-1033,
15 79-1036, 79-1041, 79-1073, 79-1073.01, 79-1084, 79-1086,
16 79-1241.03, 81-1203, and 84-1413, Revised Statutes
17 Cumulative Supplement, 2012; to eliminate learning

1 communities; to harmonize provisions; to provide
2 operative dates; to repeal the original sections; and to
3 outright repeal sections 79-4,117, 79-4,118, 79-4,119,
4 79-4,120, 79-4,121, 79-4,122, 79-4,123, 79-4,124,
5 79-4,125, 79-4,126, 79-4,127, 79-4,128, 79-4,129,
6 79-10,126.01, 79-2101, 79-2102, 79-2102.01, 79-2103,
7 79-2104.01, 79-2107, 79-2114, and 79-2119, Reissue
8 Revised Statutes of Nebraska, and sections 32-555.01,
9 79-2104, 79-2104.02, 79-2110, 79-2110.01, 79-2111,
10 79-2112, 79-2113, 79-2115, 79-2116, 79-2117, 79-2118,
11 79-2120, and 79-2121, Revised Statutes Cumulative
12 Supplement, 2012.

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

1 Section 1. On July 1, 2014, the learning community
2 established pursuant to section 79-2102, as such section existed
3 immediately prior to such date, for a city of the metropolitan class
4 which includes all school districts for which the principal office of
5 the school district is located in the county where the city of the
6 metropolitan class is located and all school districts for which the
7 principal office of the school district is located in a county that
8 has a contiguous border of at least five miles in the aggregate with
9 such city of the metropolitan class shall be dissolved. All records,
10 books, papers, funds, and personal property belonging to such
11 learning community shall be delivered to the State Board of
12 Education, to be distributed to the school districts which were
13 members of such learning community immediately prior to its
14 dissolution as determined by the state board, except that any funds
15 of such learning community delivered to the state board on such date
16 shall be distributed by the state board to each member school
17 district in the same proportion as the taxable valuation of the
18 taxable real property in such district bears to the total taxable
19 valuation of the taxable real property within the geographic
20 boundaries of such learning community.

21 The boundaries of all school districts within such
22 learning community shall remain as depicted on the map kept by the
23 county clerk pursuant to section 79-490 as of July 1, 2014, until
24 changed pursuant to any reorganization entered into by one or more of
25 such school districts.

1 Sec. 2. Section 11-119, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 11-119 The following named officers shall execute a bond
4 with penalties of the following amounts:

5 (1) The Governor, one hundred thousand dollars;

6 (2) The Lieutenant Governor, one hundred thousand
7 dollars;

8 (3) The Auditor of Public Accounts, one hundred thousand
9 dollars;

10 (4) The Secretary of State, one hundred thousand dollars;

11 (5) The Attorney General, one hundred thousand dollars;

12 (6) The State Treasurer, not less than one million
13 dollars and not more than double the amount of money that may come
14 into his or her hands, to be fixed by the Governor;

15 (7) Each county attorney, a sum not less than one
16 thousand dollars to be fixed by the county board;

17 (8) Each clerk of the district court, not less than five
18 thousand dollars or more than one hundred thousand dollars to be
19 determined by the county board;

20 (9) Each county clerk, not less than one thousand dollars
21 or more than one hundred thousand dollars to be determined by the
22 county board, except that when a county clerk also has the duties of
23 other county offices the minimum bond shall be two thousand dollars;

24 (10) Each county treasurer, not less than ten thousand
25 dollars and not more than the amount of money that may come into his

1 or her hands, to be determined by the county board;

2 (11) Each sheriff, in counties of not more than twenty
3 thousand inhabitants, five thousand dollars, and in counties over
4 twenty thousand inhabitants, ten thousand dollars;

5 (12) Each district superintendent of public instruction,
6 one thousand dollars;

7 (13) Each county surveyor, five hundred dollars;

8 (14) Each county commissioner or supervisor, in counties
9 of not more than twenty thousand inhabitants, one thousand dollars,
10 in counties over twenty thousand and not more than thirty thousand
11 inhabitants, two thousand dollars, in counties over thirty thousand
12 and not more than fifty thousand inhabitants, three thousand dollars,
13 and in counties over fifty thousand inhabitants, five thousand
14 dollars;

15 (15) Each register of deeds in counties having a
16 population of more than sixteen thousand five hundred inhabitants,
17 not less than two thousand dollars or more than one hundred thousand
18 dollars to be determined by the county board;

19 (16) Each township clerk, two hundred fifty dollars;

20 (17) Each township treasurer, two thousand dollars;

21 (18) Each county assessor, not more than five thousand
22 dollars and not less than two thousand dollars;

23 (19) Each school district treasurer, not less than five
24 hundred dollars or more than double the amount of money that may come
25 into his or her hands, the amount to be fixed by the president and

1 secretary of the district;

2 (20) Each road overseer, two hundred fifty dollars;

3 (21) Each member of a county weed district board and the
4 manager thereof, such amount as may be determined by the county board
5 of commissioners or supervisors of each county with the same amount
6 to apply to each member of any particular board; and

7 (22) In any county, in lieu of the individual bonds
8 required to be furnished by county officers, a schedule, position, or
9 blanket bond or undertaking may be given by county officers, or a
10 single corporate surety fidelity, schedule, position, or blanket bond
11 or undertaking covering all the officers, including officers required
12 by law to furnish an individual bond or undertaking, may be
13 furnished. The county may pay the premium for the bond. The bond
14 shall be, at a minimum, an aggregate of the amounts fixed by law or
15 by the person or board authorized by law to fix the amounts, and with
16 such terms and conditions as may be required by sections 11-101 to
17 11-130. ; ~~and~~

18 ~~(23) Each learning community coordinating council~~
19 ~~treasurer, not less than five hundred dollars or more than double the~~
20 ~~amount of money that may come into his or her hands, the amount to be~~
21 ~~fixed by the learning community coordinating council.~~

22 All other state officers, department heads, and employees
23 shall be bonded or insured as required by section 11-201.

24 Sec. 3. Section 13-503, Reissue Revised Statutes of
25 Nebraska, is amended to read:

1 13-503 For purposes of the Nebraska Budget Act, unless
2 the context otherwise requires:

3 (1) Governing body shall mean the governing body of any
4 county agricultural society, elected county fair board, joint airport
5 authority formed under the Joint Airport Authorities Act, city or
6 county airport authority, bridge commission created pursuant to
7 section 39-868, cemetery district, city, village, municipal county,
8 community college, community redevelopment authority, county,
9 drainage or levee district, educational service unit, rural or
10 suburban fire protection district, historical society, hospital
11 district, irrigation district, learning community until school fiscal
12 year 2014-15, natural resources district, nonprofit county historical
13 association or society for which a tax is levied under subsection (1)
14 of section 23-355.01, public building commission, railroad
15 transportation safety district, reclamation district, road
16 improvement district, rural water district, school district, sanitary
17 and improvement district, township, offstreet parking district,
18 transit authority, metropolitan utilities district, Educational
19 Service Unit Coordinating Council, and political subdivision with the
20 authority to have a property tax request, with the authority to levy
21 a toll, or that receives state aid;

22 (2) Levying board shall mean any governing body which has
23 the power or duty to levy a tax;

24 (3) Fiscal year shall mean the twelve-month period used
25 by each governing body in determining and carrying on its financial

1 and taxing affairs;

2 (4) Tax shall mean any general or special tax levied
3 against persons, property, or business for public purposes as
4 provided by law but shall not include any special assessment;

5 (5) Auditor shall mean the Auditor of Public Accounts;

6 (6) Cash reserve shall mean funds required for the period
7 before revenue would become available for expenditure but shall not
8 include funds held in any special reserve fund;

9 (7) Public funds shall mean all money, including nontax
10 money, used in the operation and functions of governing bodies. For
11 purposes of a county, city, or village which has a lottery
12 established under the Nebraska County and City Lottery Act, only
13 those net proceeds which are actually received by the county, city,
14 or village from a licensed lottery operator shall be considered
15 public funds, and public funds shall not include amounts awarded as
16 prizes;

17 (8) Adopted budget statement shall mean a proposed budget
18 statement which has been adopted or amended and adopted as provided
19 in section 13-506. Such term shall include additions, if any, to an
20 adopted budget statement made by a revised budget which has been
21 adopted as provided in section 13-511;

22 (9) Special reserve fund shall mean any special fund set
23 aside by the governing body for a particular purpose and not
24 available for expenditure for any other purpose. Funds created for
25 (a) the retirement of bonded indebtedness, (b) the funding of

1 employee pension plans, (c) the purposes of the Political
2 Subdivisions Self-Funding Benefits Act, (d) the purposes of the Local
3 Option Municipal Economic Development Act, (e) voter-approved sinking
4 funds, or (f) statutorily authorized sinking funds shall be
5 considered special reserve funds;

6 (10) Biennial period shall mean the two fiscal years
7 comprising a biennium commencing in odd-numbered or even-numbered
8 years used by a city in determining and carrying on its financial and
9 taxing affairs; and

10 (11) Biennial budget shall mean a budget by a city of the
11 primary or metropolitan class that adopts a charter provision
12 providing for a biennial period to determine and carry on the city's
13 financial and taxing affairs.

14 Sec. 4. Section 13-508, Reissue Revised Statutes of
15 Nebraska, is amended to read:

16 13-508 (1) After publication and hearing thereon and
17 within the time prescribed by law, each governing body, except as
18 provided in subsection (3) of this section, shall file with and
19 certify to the levying board or boards on or before September 20 of
20 each year and file with the auditor a copy of the adopted budget
21 statement which complies with sections 13-518 to 13-522 or 79-1023 to
22 79-1030, together with the amount of the tax required to fund the
23 adopted budget, setting out separately (a) the amount to be levied
24 for the payment of principal or interest on bonds issued by the
25 governing body and (b) the amount to be levied for all other

1 purposes. Proof of publication shall be attached to the statements.
2 ~~Learning~~ For all school fiscal years before school fiscal year
3 2014-15, learning communities shall also file a copy of such adopted
4 budget statement with member school districts on or before September
5 1 of ~~each year.~~ The governing body, in certifying the amount
6 required, may make allowance for delinquent taxes not exceeding five
7 percent of the amount required plus the actual percentage of
8 delinquent taxes for the preceding tax year and for the amount of
9 estimated tax loss from any pending or anticipated litigation which
10 involves taxation and in which tax collections have been or can be
11 withheld or escrowed by court order. For purposes of this section,
12 anticipated litigation shall be limited to the anticipation of an
13 action being filed by a taxpayer who or which filed a similar action
14 for the preceding year which is still pending. Except for such
15 allowances, a governing body shall not certify an amount of tax more
16 than one percent greater or lesser than the amount determined under
17 section 13-505.

18 (2) Each governing body shall use the certified taxable
19 values as provided by the county assessor pursuant to section 13-509
20 for the current year in setting or certifying the levy. Each
21 governing body may designate one of its members to perform any duty
22 or responsibility required of such body by this section.

23 (3)(a) A Class I school district shall do the filing and
24 certification required by subsection (1) of this section on or before
25 August 1 of each year.

1 (b) ~~A—For all school fiscal years before school fiscal~~
2 ~~year 2014-15, a~~ learning community shall do such filing and
3 certification on or before September 1. ~~of each year.~~

4 Sec. 5. Section 13-511, Reissue Revised Statutes of
5 Nebraska, is amended to read:

6 13-511 (1) Unless otherwise provided by law, whenever
7 during the current fiscal year or biennial period it becomes apparent
8 to a governing body that (a) there are circumstances which could not
9 reasonably have been anticipated at the time the budget for the
10 current year or biennial period was adopted, (b) the budget adopted
11 violated sections 13-518 to 13-522, such that the revenue of the
12 current fiscal year or biennial period for any fund thereof will be
13 insufficient, additional expenses will be necessarily incurred, or
14 there is a need to reduce the budget requirements to comply with
15 sections 13-518 to 13-522, or (c) the governing body has been
16 notified by the auditor of a mathematical or accounting error or
17 noncompliance with the Nebraska Budget Act, such governing body may
18 propose to revise the previously adopted budget statement and shall
19 conduct a public hearing on such proposal.

20 (2) Notice of the time and place of the hearing shall be
21 published at least five days prior to the date set for hearing in a
22 newspaper of general circulation within the governing body's
23 jurisdiction. Such published notice shall set forth (a) the time and
24 place of the hearing, (b) the amount in dollars of additional or
25 reduced money required and for what purpose, (c) a statement setting

1 forth the nature of the unanticipated circumstances and, if the
2 budget requirements are to be increased, the reasons why the
3 previously adopted budget of expenditures cannot be reduced during
4 the remainder of the current year or biennial period to meet the need
5 for additional money in that manner, (d) a copy of the summary of the
6 originally adopted budget previously published, and (e) a copy of the
7 summary of the proposed revised budget.

8 (3) At such hearing any taxpayer may appear or file a
9 written statement protesting any application for additional money. A
10 written record shall be kept of all such hearings.

11 (4) Upon conclusion of the public hearing on the proposed
12 revised budget and approval of the proposed revised budget by the
13 governing body, the governing body shall file with the county clerk
14 of the county or counties in which such governing body is located,
15 for all school fiscal years before school fiscal year 2014-15 with
16 the learning community coordinating council for school districts that
17 are members of learning communities, and with the auditor, a copy of
18 the revised budget, as adopted. The governing body may then issue
19 warrants in payment for expenditures authorized by the adopted
20 revised budget. Such warrants shall be referred to as registered
21 warrants and shall be repaid during the next fiscal year or biennial
22 period from funds derived from taxes levied therefor.

23 (5) Within thirty days after the adoption of the budget
24 under section 13-506, a governing body may, or within thirty days
25 after notification of an error by the auditor, a governing body

1 shall, correct an adopted budget which contains a clerical,
2 mathematical, or accounting error which does not affect the total
3 amount budgeted by more than one percent or increase the amount
4 required from property taxes. No public hearing shall be required for
5 such a correction. After correction, the governing body shall file a
6 copy of the corrected budget with the county clerk of the county or
7 counties in which such governing body is located and with the
8 auditor. The governing body may then issue warrants in payment for
9 expenditures authorized by the budget.

10 Sec. 6. Section 13-903, Reissue Revised Statutes of
11 Nebraska, is amended to read:

12 13-903 For purposes of the Political Subdivisions Tort
13 Claims Act and sections 16-727, 16-728, 23-175, 39-809, and 79-610,
14 unless the context otherwise requires:

15 (1) Political subdivision shall include villages, cities
16 of all classes, counties, school districts, learning communities in
17 existence before July 1, 2014, public power districts, and all other
18 units of local government, including entities created pursuant to the
19 Interlocal Cooperation Act or Joint Public Agency Act. Political
20 subdivision shall not be construed to include any contractor with a
21 political subdivision;

22 (2) Governing body shall mean the village board of a
23 village, the city council of a city, the board of commissioners or
24 board of supervisors of a county, the board of directors of a public
25 power district, the governing board or other governing body of an

1 entity created pursuant to the Interlocal Cooperation Act or Joint
2 Public Agency Act, and any duly elected or appointed body holding the
3 power and authority to determine the appropriations and expenditures
4 of any other unit of local government;

5 (3) Employee of a political subdivision shall mean any
6 one or more officers or employees of the political subdivision or any
7 agency of the subdivision and shall include members of the governing
8 body, duly appointed members of boards or commissions when they are
9 acting in their official capacity, volunteer firefighters, and
10 volunteer rescue squad personnel. Employee shall not be construed to
11 include any contractor with a political subdivision; and

12 (4) Tort claim shall mean any claim against a political
13 subdivision for money only on account of damage to or loss of
14 property or on account of personal injury or death, caused by the
15 negligent or wrongful act or omission of any employee of the
16 political subdivision, while acting within the scope of his or her
17 office or employment, under circumstances in which the political
18 subdivision, if a private person, would be liable to the claimant for
19 such damage, loss, injury, or death but shall not include any claim
20 accruing before January 1, 1970.

21 Sec. 7. Section 13-2202, Reissue Revised Statutes of
22 Nebraska, is amended to read:

23 13-2202 For purposes of the Local Government
24 Miscellaneous Expenditure Act:

25 (1) Elected and appointed officials and employees shall

1 mean the elected and appointed officials and employees of any local
2 government;

3 (2) Governing body shall mean, in the case of a city of
4 any class, the council; in the case of a village, cemetery district,
5 community hospital for two or more adjoining counties, county
6 hospital, road improvement district, sanitary drainage district, or
7 sanitary and improvement district, the board of trustees; in the case
8 of a county, the county board; in the case of a municipal county, the
9 council; in the case of a township, the town board; in the case of a
10 school district, the school board; in the case of a rural or suburban
11 fire protection district, reclamation district, natural resources
12 district, or hospital district, the board of directors; in the case
13 of a health district, the board of health; in the case of an
14 educational service unit, the board; in the case of a community
15 college, the Community College Board of Governors for the area the
16 board serves; in the case of an airport authority, the airport
17 authority board; in the case of a weed control authority, the board;
18 and in the case of a county agricultural society, the board of
19 governors; ~~and in the case of a learning community, the learning~~
20 ~~community coordinating council;~~

21 (3) Local government shall mean cities of any class,
22 villages, cemetery districts, community hospitals for two or more
23 adjoining counties, county hospitals, road improvement districts,
24 counties, townships, sanitary drainage districts, sanitary and
25 improvement districts, school districts, rural or suburban fire

1 protection districts, reclamation districts, natural resources
2 districts, hospital districts, health districts, educational service
3 units, community colleges, airport authorities, weed control
4 authorities, and county agricultural societies: ~~, and learning~~
5 ~~communities;~~

6 (4) Public funds shall mean such public funds as defined
7 in section 13-503 as are under the direct control of governing bodies
8 of local governments;

9 (5) Public meeting shall mean all regular, special, or
10 called meetings, formal or informal, of any governing body for the
11 purposes of briefing, discussion of public business, formation of
12 tentative policy, or the taking of any action of the governing body;
13 and

14 (6) Volunteer shall mean a person who is not an elected
15 or appointed official or an employee of a local government and who,
16 at the request or with the permission of the local government,
17 engages in activities related to the purposes or functions of the
18 local government or for its general benefit.

19 Sec. 8. Section 32-546.01, Revised Statutes Cumulative
20 Supplement, 2012, is amended to read:

21 32-546.01 (1) Each learning community shall be governed
22 by a learning community coordinating council consisting of eighteen
23 voting members, with twelve members elected on a nonpartisan ballot
24 from six numbered subcouncil districts created pursuant to section
25 32-555.01, as such section existed immediately prior to July 1, 2014,

1 and with six members appointed from such subcouncil districts
2 pursuant to this section. Each voter shall be allowed to cast votes
3 for one candidate at both the primary and general elections to
4 represent the subcouncil district in which the voter resides. The
5 four candidates receiving the most votes at the primary election
6 shall advance to the general election. The two candidates receiving
7 the most votes at the general election shall be elected. A candidate
8 shall reside in the subcouncil district for which he or she is a
9 candidate. Coordinating council members shall be elected on the
10 nonpartisan ballot.

11 (2) The initial elected members shall be nominated at the
12 statewide primary election and elected at the statewide general
13 election immediately following the certification of the establishment
14 of the learning community, and subsequent members shall be nominated
15 at subsequent statewide primary elections and elected at subsequent
16 statewide general elections. Except as provided in this section, such
17 elections shall be conducted pursuant to the Election Act.

18 (3) Vacancies in office for elected members shall occur
19 as set forth in section 32-560. Whenever any such vacancy occurs, the
20 remaining elected members of such council shall appoint an individual
21 residing within the geographical boundaries of the subcouncil
22 district for the balance of the unexpired term or until the
23 dissolution of the learning community, whichever occurs first.

24 (4) Members elected to represent odd-numbered districts
25 in the first election for the learning community coordinating council

1 shall be elected for two-year terms. Members elected to represent
2 even-numbered districts in the first election for the learning
3 community coordinating council shall be elected for four-year terms.
4 Members elected in subsequent elections shall be elected for four-
5 year terms and until their successors are elected and qualified or
6 until the dissolution of the learning community, whichever occurs
7 first.

8 (5) The appointed members shall be appointed in November
9 of each even-numbered year after the general election. Appointed
10 members shall be school board members of school districts in the
11 learning community either elected to take office the following
12 January or continuing their current term of office for the following
13 two years or until the dissolution of the learning community,
14 whichever occurs first. For learning communities to be established
15 the following January pursuant to orders issued pursuant to section
16 79-2102, as such section existed immediately prior to July 1, 2014,
17 the Secretary of State shall hold a meeting of the school board
18 members of the school districts in such learning community to appoint
19 one member from such school boards to represent each of the
20 subcouncil districts on the coordinating council of such learning
21 community. For subsequent appointments, the current appointed members
22 of the coordinating council shall hold a meeting of the school board
23 members of such school districts to appoint one member from such
24 school boards to represent each of the subcouncil districts on the
25 coordinating council of the learning community. The appointed members

1 shall be selected by the school board members of the school districts
2 in the learning community who reside in the subcouncil district to be
3 represented pursuant to a secret ballot, shall reside in the
4 subcouncil district to be represented, and shall be appointed for
5 two-year terms and until their successors are appointed and qualified
6 or until the dissolution of the learning community, whichever occurs
7 first.

8 (6) Vacancies in office for appointed members shall occur
9 upon the resignation, death, or disqualification from office of an
10 appointed member. Disqualification from office shall include ceasing
11 membership on the school board for which membership qualified the
12 member for the appointment to the learning community coordinating
13 council or ceasing to reside in the subcouncil district represented
14 by such member of the learning community coordinating council.
15 Whenever such vacancy occurs, the remaining appointed members shall
16 hold a meeting of the school board members of the school districts in
17 such learning community to appoint a member from such school boards
18 who lives in the subcouncil district to be represented to serve for
19 the balance of the unexpired term or until the dissolution of the
20 learning community, whichever occurs first.

21 (7) Each learning community coordinating council shall
22 also have a nonvoting member from each member school district which
23 does not have either an elected or an appointed member who resides in
24 the school district on the council. Such nonvoting members shall be
25 appointed by the school board of the school district to be

1 represented to serve for two-year terms or until the dissolution of
2 the learning community, whichever occurs first, and notice of the
3 nonvoting member selected shall be submitted to the Secretary of
4 State by such board prior to December 31 of each even-numbered year.
5 Each such nonvoting member shall be a resident of the appointing
6 school district and shall not be a school administrator employed by
7 such school district. Whenever a vacancy occurs, the school board of
8 such school district shall appoint a new nonvoting member and submit
9 notice to the Secretary of State and to the learning community
10 coordinating council.

11 (8) Members of a learning community coordinating council
12 shall take office on the first Thursday after the first Tuesday in
13 January following their election or appointment, except that members
14 appointed to fill vacancies shall take office immediately following
15 administration of the oath of office. Each voting member elected or
16 appointed prior to April 6, 2010, shall be paid a per diem in an
17 amount determined by such council up to two hundred dollars per day
18 for official meetings of the council and the achievement subcouncil
19 for which he or she is a member, for meetings that occur during the
20 term of office for which the election or appointment of the member
21 took place prior to April 6, 2010, up to a maximum of twelve thousand
22 dollars per fiscal year. Each voting member shall be eligible for
23 reimbursement of reasonable expenses related to service on the
24 learning community coordinating council. Each nonvoting member shall
25 be eligible for reimbursement of reasonable expenses related to

1 service on the learning community coordinating council.

2 Sec. 9. Section 32-567, Reissue Revised Statutes of
3 Nebraska, is amended to read:

4 32-567 Vacancies in office shall be filled as follows:

5 (1) In state and judicial district offices and in the
6 membership of any board or commission created by the state when no
7 other method is provided, by the Governor;

8 (2) In county offices, by the county board;

9 (3) In the membership of the county board, by the county
10 clerk, county attorney, and county treasurer;

11 (4) In township offices, by the township board or, if
12 there are two or more vacancies on the township board, by the county
13 board;

14 (5) In offices in public power and irrigation districts,
15 according to section 70-615;

16 (6) In offices in natural resources districts, according
17 to section 2-3215;

18 (7) In offices in community college areas, according to
19 section 85-1514;

20 (8) In offices in educational service units, according to
21 section 79-1217;

22 (9) In offices in hospital districts, according to
23 section 23-3534;

24 (10) In offices in metropolitan utilities districts,
25 according to section 14-2104;

1 (11) In membership on airport authority boards, according
2 to section 3-502, 3-611, or 3-703, as applicable;

3 (12) In membership on the board of trustees of a road
4 improvement district, according to section 39-1607;

5 (13) In membership on the council of a municipal county,
6 by the council; and

7 (14) For learning community coordinating councils,
8 according to section 32-546.01.

9 Unless otherwise provided by law, all vacancies shall be
10 filled within forty-five days after the vacancy occurs unless good
11 cause is shown that the requirement imposes an undue burden or
12 unless, in the case of a learning community coordinating council, the
13 learning community will cease to exist within such forty-five-day
14 period.

15 Sec. 10. Section 32-604, Revised Statutes Cumulative
16 Supplement, 2012, is amended to read:

17 32-604 (1) Except as provided in subsection (2) or (4) of
18 this section, no person shall be precluded from being elected or
19 appointed to or holding an elective office for the reason that he or
20 she has been elected or appointed to or holds another elective
21 office.

22 (2) No person serving as a member of the Legislature or
23 in an elective office described in Article IV, section 1 or 20, or
24 Article VII, section 3 or 10, of the Constitution of Nebraska shall
25 simultaneously serve in any other elective office, except that such a

1 person may simultaneously serve in another elective office which is
2 filled at an election held in conjunction with the annual meeting of
3 a public body.

4 (3) Whenever an incumbent serving as a member of the
5 Legislature or in an elective office described in Article IV, section
6 1 or 20, or Article VII, section 3 or 10, of the Constitution of
7 Nebraska assumes another elective office, except an elective office
8 filled at an election held in conjunction with the annual meeting of
9 a public body, the office first held by the incumbent shall be deemed
10 vacant.

11 (4) No person serving in a high elective office shall
12 simultaneously serve in any other high elective office, except that a
13 county attorney may serve as the county attorney for more than one
14 county if appointed under subsection (2) of section 23-1201.01.

15 (5) Notwithstanding subsection (4) of this section, any
16 person holding more than one high elective office upon July 15, 2010,
17 shall be entitled to serve the remainder of all terms for which he or
18 she was elected or appointed.

19 (6) For purposes of this section, (a) elective office has
20 the meaning found in section 32-109 and includes an office which is
21 filled at an election held in conjunction with the annual meeting of
22 a public body created by an act of the Legislature ~~but does not~~
23 ~~include a member of a learning community coordinating council~~
24 ~~appointed pursuant to subsection (5) or (7) of section 32-546.01 and~~
25 (b) high elective office means a member of the Legislature, an

1 elective office described in Article IV, section 1 or 20, or Article
2 VII, section 3 or 10, of the Constitution of Nebraska, or a county,
3 city, community college area, ~~learning community~~, or school district
4 elective office.

5 Sec. 11. Section 32-1203, Revised Statutes Cumulative
6 Supplement, 2012, is amended to read:

7 32-1203 (1) Each city, village, school district, public
8 power district, sanitary and improvement district, metropolitan
9 utilities district, fire district, natural resources district,
10 community college area, ~~learning community coordinating council~~,
11 educational service unit, hospital district, reclamation district,
12 and library board shall pay for the costs of nominating and electing
13 its officers as provided in subsection (2), (3), or (4) of this
14 section. If a special issue is placed on the ballot at the time of
15 the statewide primary or general election by any political
16 subdivision, the political subdivision shall pay for the costs of the
17 election as provided in subsection (2), (3), or (4) of this section.
18 The districts listed in this subsection shall furnish to the
19 Secretary of State and election commissioner or county clerk any maps
20 and additional information which the election commissioner or county
21 clerk may require in the proper performance of their duties in the
22 conduct of elections and certification of results.

23 (2) The charge for each primary and general election
24 shall be determined by (a) ascertaining the total cost of all
25 chargeable costs as described in section 32-1202, (b) dividing the

1 total cost by the number of precincts participating in the election
2 to fix the cost per precinct, (c) prorating the cost per precinct by
3 the inked ballot inch in each precinct for each political
4 subdivision, and (d) totaling the cost for each precinct for each
5 political subdivision, except that the minimum charge for each
6 primary and general election for each political subdivision shall be
7 fifty dollars.

8 (3) In lieu of the charge determined pursuant to
9 subsection (2) of this section, the election commissioner or county
10 clerk may charge public power districts the fee for election costs
11 set by section 70-610.

12 (4) In lieu of the charge determined pursuant to
13 subsection (2) of this section, the election commissioner or county
14 clerk may bill school districts directly for the costs of an election
15 held under section 10-703.01.

16 Sec. 12. Section 68-907, Revised Statutes Cumulative
17 Supplement, 2012, is amended to read:

18 68-907 For purposes of the Medical Assistance Act:

19 (1) Committee means the Health and Human Services
20 Committee of the Legislature;

21 (2) Department means the Department of Health and Human
22 Services;

23 (3) Medicaid Reform Plan means the Medicaid Reform Plan
24 submitted on December 1, 2005, pursuant to the Medicaid Reform Act
25 enacted pursuant to Laws 2005, LB 709;

1 (4) Medicaid state plan means the comprehensive written
2 document, developed and amended by the department and approved by the
3 federal Centers for Medicare and Medicaid Services, which describes
4 the nature and scope of the medical assistance program and provides
5 assurances that the department will administer the program in
6 compliance with federal requirements;

7 (5) Provider means a person providing health care or
8 related services under the medical assistance program;

9 (6) School-based health center means a health center
10 that:

11 (a) Is located in or is adjacent to a school facility;

12 (b) Is organized through school, school district,
13 ~~learning community, community,~~ and provider relationships;

14 (c) Is administered by a sponsoring facility;

15 (d) Provides school-based health services onsite during
16 school hours to children and adolescents by health care professionals
17 in accordance with state and local laws, rules, and regulations,
18 established standards, and community practice;

19 (e) Does not perform abortion services or refer or
20 counsel for abortion services and does not dispense, prescribe, or
21 counsel for contraceptive drugs or devices; and

22 (f) Does not serve as a child's or an adolescent's
23 medical or dental home but augments and supports services provided by
24 the medical or dental home;

25 (7) School-based health services may include any

1 combination of the following as determined in partnership with a
2 sponsoring facility, the school district, and the community:

3 (a) Medical health;

4 (b) Behavioral and mental health;

5 (c) Preventive health; and

6 (d) Oral health;

7 (8) Sponsoring facility means:

8 (a) A hospital;

9 (b) A public health department as defined in section
10 71-1626;

11 (c) A federally qualified health center as defined in
12 section 1905(1)(2)(B) of the federal Social Security Act, 42 U.S.C.
13 1396d(1)(2)(B), as such act and section existed on January 1, 2010;

14 (d) A nonprofit health care entity whose mission is to
15 provide access to comprehensive primary health care services;

16 (e) A school or school district; or

17 (f) A program administered by the Indian Health Service
18 or the federal Bureau of Indian Affairs or operated by an Indian
19 tribe or tribal organization under the federal Indian Self-
20 Determination and Education Assistance Act, or an urban Indian
21 program under Title V of the federal Indian Health Care Improvement
22 Act, as such acts existed on January 1, 2010; and

23 (9) Waiver means the waiver of applicability to the state
24 of one or more provisions of federal law relating to the medical
25 assistance program based on an application by the department and

1 approval of such application by the federal Centers for Medicare and
2 Medicaid Services.

3 Sec. 13. Section 70-651.04, Revised Statutes Cumulative
4 Supplement, 2012, is amended to read:

5 70-651.04 All payments which are based on retail revenue
6 from each incorporated city or village shall be divided and
7 distributed by the county treasurer to that city or village, to the
8 school districts located in that city or village, to any learning
9 community located in that city or village for all school fiscal years
10 before school fiscal year 2014-15, and to the county in which may be
11 located any such incorporated city or village in the proportion that
12 their respective property tax levies in the preceding year bore to
13 the total of such levies, except that for all school fiscal years
14 before school fiscal year 2014-15 the only learning community levies
15 to be included are the common levies for which the proceeds are
16 distributed to member school districts pursuant to sections 79-1073
17 and 79-1073.01.

18 Sec. 14. Section 77-1601.02, Reissue Revised Statutes of
19 Nebraska, is amended to read:

20 77-1601.02 (1) The property tax request for the prior
21 year shall be the property tax request for the current year for
22 purposes of the levy set by the county board of equalization in
23 section 77-1601 unless the governing body of the county,
24 municipality, school district, ~~learning community,~~ sanitary and
25 improvement district, natural resources district, educational service

1 unit, or community college passes by a majority vote a resolution or
2 ordinance setting the tax request at a different amount. Such
3 resolution or ordinance shall only be passed after a special public
4 hearing called for such purpose is held and after notice is published
5 in a newspaper of general circulation in the area of the political
6 subdivision at least five days prior to the hearing. The hearing
7 notice shall contain the following information: The dollar amount of
8 the prior year's tax request and the property tax rate that was
9 necessary to fund that tax request; the property tax rate that would
10 be necessary to fund last year's tax request if applied to the
11 current year's valuation; and the proposed dollar amount of the tax
12 request for the current year and the property tax rate that will be
13 necessary to fund that tax request. Any resolution setting a tax
14 request under this section shall be certified and forwarded to the
15 county clerk on or before October 13 of the year for which the tax
16 request is to apply.

17 (2) Any levy which is not in compliance with this section
18 and section 77-1601 shall be construed as an unauthorized levy under
19 section 77-1606.

20 Sec. 15. Section 77-1614, Reissue Revised Statutes of
21 Nebraska, is amended to read:

22 77-1614 All taxes which are uniform, throughout any
23 precinct, township, school district, ~~learning community,~~ village,
24 city, county, or other taxing subdivision of a county, shall be
25 formed into a single tax, be entered upon the tax list in a double

1 column, and be denominated a consolidated tax.

2 Sec. 16. Section 77-1624, Reissue Revised Statutes of
3 Nebraska, is amended to read:

4 77-1624 It shall be the duty of the county treasurer for
5 each and every county, when collecting personal and real estate taxes
6 being delinquent five years or more, to receipt for such taxes on a
7 receipt for the fifth delinquent year. Such taxes so collected shall
8 be prorated in proportion to the levies applicable for the year
9 levied. All state taxes when collected shall be remitted to the State
10 Treasurer and by him or her credited to the fund or funds for which
11 the levy or levies were made, and all county funds when collected
12 shall be placed to the credit of the county general fund; all
13 municipal, school district, ~~learning community,~~ township, precinct,
14 and special funds shall be entered in separate columns. All taxes so
15 consolidated shall be paid in order of priority of delinquency.

16 Sec. 17. Section 77-1702, Reissue Revised Statutes of
17 Nebraska, is amended to read:

18 77-1702 State warrants are receivable for the amount
19 payable into the state treasury on account of tax levied for general
20 state purposes. County warrants are receivable for the amount payable
21 into the county treasury for general purposes. City warrants shall be
22 received for the city general tax, village warrants for the village
23 general tax, and town warrants for the town general tax. State, city,
24 village, or township taxes, levied for other special purposes, may be
25 paid by warrants drawn and payable out of the particular fund on

1 account of which they are tendered. Lawful money of the United
2 States, checks, drafts, credit cards, charge cards, debit cards,
3 money orders, electronic funds transfers, or other bills of exchange
4 may be accepted in payment of any state, county, village, township,
5 school district, ~~learning community,~~ or other governmental
6 subdivision tax, levy, excise, duty, custom, toll, penalty, fine,
7 license, fee, or assessment of whatever kind or nature, whether
8 general or special.

9 Sec. 18. Section 77-1704.01, Revised Statutes Cumulative
10 Supplement, 2012, is amended to read:

11 77-1704.01 (1) The county treasurer shall include with
12 each tax notice to every taxpayer and with each receipt provided to a
13 taxpayer the following information:

14 (a) The total amount of aid from state sources
15 appropriated to the county and each city, village, and school
16 district in the county;

17 (b) The net amount of property taxes to be levied by the
18 county and each city, village, and school district, ~~and learning~~
19 ~~community~~ in the county; and

20 (c) For real property, the amount of taxes reflected on
21 the statement that are levied by the county, city, village, school
22 district, ~~learning community,~~ and other subdivisions for the tax year
23 and for the immediately past year on the same parcel.

24 (2) The necessary form for furnishing the information
25 required by subdivisions (1)(a) and (b) of this section shall be

1 prescribed by the Department of Revenue. The necessary information
2 required by subdivision (1)(a) of this section shall be furnished to
3 the county treasurer by the Department of Revenue prior to October 1
4 of each year. The form prescribed by the Department of Revenue shall
5 contain the following statement:

6 THE AMOUNT OF STATE FUNDS SHOWN ABOVE WOULD HAVE BEEN
7 ADDITIONAL PROPERTY TAXES IF NOT ALLOCATED TO THE COUNTY, CITY,
8 VILLAGE, AND SCHOOL DISTRICT BY THE LEGISLATURE.

9 Sec. 19. Section 77-1708, Reissue Revised Statutes of
10 Nebraska, is amended to read:

11 77-1708 The county treasurer is required to keep a cash
12 book in which he or she shall enter an account of all money received,
13 specifying in proper columns provided for that purpose the date of
14 payment, the number of the receipt issued therefor, and on account of
15 what fund or funds the same was paid, whether state, county, school,
16 ~~learning community,~~ road, sinking fund or otherwise, each in separate
17 columns, and the total amount for which the receipt was given in
18 another column. The treasurer shall keep the account of money
19 received for and on account of taxes separate and distinct from money
20 received on any other account. He or she shall also keep the account
21 of money received for and on account of taxes levied and assessed for
22 any one year separate and distinct from those levied and assessed for
23 any other year. All entries in the cash book of money received for
24 taxes shall be in the numerical order of the receipts issued
25 therefor.

1 Sec. 20. Section 77-1772, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 77-1772 Interest collected upon delinquent county, city,
4 village, school district, or learning community taxes shall be
5 credited on the books and distributed among the various governmental
6 subdivisions and municipal corporations in the same proportion as the
7 principal of the taxes is credited and distributed. In the case of
8 interest on delinquent learning community taxes if such learning
9 community is no longer in existence, such interest shall be credited
10 on the books and distributed among the school districts which were
11 members of the learning community at the time such taxes were levied
12 by the learning community in the same proportion as the real property
13 valuation in each such school district bears to the total real
14 property valuation of all member school districts in the learning
15 community at the time the taxes were levied.

16 Sec. 21. Section 77-2201, Reissue Revised Statutes of
17 Nebraska, is amended to read:

18 77-2201 All warrants upon the State Treasurer or the
19 treasurer of any county, city, school district, ~~learning community,~~
20 or other municipal corporation shall be paid in the order of their
21 presentation therefor.

22 Sec. 22. Section 77-2202, Reissue Revised Statutes of
23 Nebraska, is amended to read:

24 77-2202 The State Treasurer and the treasurer of every
25 county, city, school district, ~~learning community,~~ or other municipal

1 corporation shall keep a warrant register, which register shall show
2 in columns arranged for that purpose the number, the date, and the
3 amount of each warrant presented and registered, the particular fund
4 upon which the same is drawn, the date of presentation, the name and
5 address of the person in whose name the warrant is registered, the
6 date of payment, the amount of interest, and the total amount paid
7 thereon, with the date when notice to the person in whose name such
8 warrant is registered is mailed.

9 Sec. 23. Section 77-2704.15, Revised Statutes Cumulative
10 Supplement, 2012, is amended to read:

11 77-2704.15 (1)(a) Sales and use taxes shall not be
12 imposed on the gross receipts from the sale, lease, or rental of and
13 the storage, use, or other consumption in this state of purchases by
14 the state, including public educational institutions recognized or
15 established under the provisions of Chapter 85, or by any county,
16 township, city, village, rural or suburban fire protection district,
17 city airport authority, county airport authority, joint airport
18 authority, drainage district organized under sections 31-401 to
19 31-450, natural resources district, elected county fair board,
20 housing agency as defined in section 71-1575 except for purchases for
21 any commercial operation that does not exclusively benefit the
22 residents of an affordable housing project, cemetery created under
23 section 12-101, or joint entity or agency formed by any combination
24 of two or more counties, townships, cities, villages, or other exempt
25 governmental units pursuant to the Interlocal Cooperation Act, the

1 Integrated Solid Waste Management Act, or the Joint Public Agency
2 Act, except for purchases for use in the business of furnishing gas,
3 water, electricity, or heat, or by any irrigation or reclamation
4 district, the irrigation division of any public power and irrigation
5 district, or public schools ~~or learning communities~~ established under
6 Chapter 79.

7 (b) For purposes of this subsection, purchases by the
8 state or by a governmental unit listed in subdivision (a) of this
9 subsection include purchases by a nonprofit corporation under a
10 lease-purchase agreement, financing lease, or other instrument which
11 provides for transfer of title to the property to the state or
12 governmental unit upon payment of all amounts due thereunder. If a
13 nonprofit corporation will be making purchases under a lease-purchase
14 agreement, financing lease, or other instrument as part of a project
15 with a total estimated cost that exceeds the threshold amount, then
16 such purchases shall qualify for an exemption under this section only
17 if the question of proceeding with such project has been submitted at
18 a primary, general, or special election held within the governmental
19 unit that will be a party to the lease-purchase agreement, financing
20 lease, or other instrument and has been approved by the voters of
21 such governmental unit. For purposes of this subdivision, (i) project
22 means the acquisition of real property or the construction of a
23 public building and (ii) threshold amount means the greater of fifty
24 thousand dollars or six-tenths of one percent of the total actual
25 value of real and personal property of the governmental unit that

1 will be a party to the lease-purchase agreement, financing lease, or
2 other instrument as of the end of the governmental unit's prior
3 fiscal year.

4 (2) The appointment of purchasing agents shall be
5 recognized for the purpose of altering the status of the construction
6 contractor as the ultimate consumer of building materials which are
7 physically annexed to the structure and which subsequently belong to
8 the state or the governmental unit. The appointment of purchasing
9 agents shall be in writing and occur prior to having any building
10 materials annexed to real estate in the construction, improvement, or
11 repair. The contractor who has been appointed as a purchasing agent
12 may apply for a refund of or use as a credit against a future use tax
13 liability the tax paid on inventory items annexed to real estate in
14 the construction, improvement, or repair of a project for the state
15 or a governmental unit.

16 (3) Any governmental unit listed in subsection (1) of
17 this section, except the state, which enters into a contract of
18 construction, improvement, or repair upon property annexed to real
19 estate without first issuing a purchasing agent authorization to a
20 contractor or repairperson prior to the building materials being
21 annexed to real estate in the project may apply to the Tax
22 Commissioner for a refund of any sales and use tax paid by the
23 contractor or repairperson on the building materials physically
24 annexed to real estate in the construction, improvement, or repair.

25 Sec. 24. Section 77-3442, Revised Statutes Cumulative

1 Supplement, 2012, is amended to read:

2 77-3442 (1) Property tax levies for the support of local
3 governments for fiscal years beginning on or after July 1, 1998,
4 shall be limited to the amounts set forth in this section except as
5 provided in section 77-3444.

6 (2)(a) Except as provided in subdivision (2)(e) of this
7 section, school districts and multiple-district school systems,
8 except learning communities and school districts that are members of
9 learning communities, may levy a maximum levy of one dollar and five
10 cents per one hundred dollars of taxable valuation of property
11 subject to the levy.

12 (b) For each school fiscal year before school fiscal year
13 2014-15, learning communities may levy a maximum levy for the general
14 fund budgets of member school districts of ninety-five cents per one
15 hundred dollars of taxable valuation of property subject to the levy.
16 The proceeds from the levy pursuant to this subdivision shall be
17 distributed pursuant to section 79-1073.

18 (c) Except as provided in subdivision (2)(e) of this
19 section, for each fiscal year before school fiscal year 2014-15,
20 school districts that are members of learning communities may levy
21 for purposes of such districts' general fund budget and special
22 building funds a maximum combined levy of the difference of one
23 dollar and five cents on each one hundred dollars of taxable property
24 subject to the levy minus the learning community levies pursuant to
25 subdivisions (2)(b) and (2)(g) of this section for such learning

1 community.

2 (d) Excluded from the limitations in subdivisions (2)(a)
3 and (2)(c) of this section are amounts levied to pay for sums agreed
4 to be paid by a school district to certificated employees in exchange
5 for a voluntary termination of employment and amounts levied to pay
6 for special building funds and sinking funds established for projects
7 commenced prior to April 1, 1996, for construction, expansion, or
8 alteration of school district buildings. For purposes of this
9 subsection, commenced means any action taken by the school board on
10 the record which commits the board to expend district funds in
11 planning, constructing, or carrying out the project.

12 (e) Federal aid school districts may exceed the maximum
13 levy prescribed by subdivision (2)(a) or (2)(c) of this section only
14 to the extent necessary to qualify to receive federal aid pursuant to
15 Title VIII of Public Law 103-382, as such title existed on September
16 1, 2001. For purposes of this subdivision, federal aid school
17 district means any school district which receives ten percent or more
18 of the revenue for its general fund budget from federal government
19 sources pursuant to Title VIII of Public Law 103-382, as such title
20 existed on September 1, 2001.

21 (f) For school fiscal year 2002-03 through school fiscal
22 year 2007-08, school districts and multiple-district school systems
23 may, upon a three-fourths majority vote of the school board of the
24 school district, the board of the unified system, or the school board
25 of the high school district of the multiple-district school system

1 that is not a unified system, exceed the maximum levy prescribed by
2 subdivision (2)(a) of this section in an amount equal to the net
3 difference between the amount of state aid that would have been
4 provided under the Tax Equity and Educational Opportunities Support
5 Act without the temporary aid adjustment factor as defined in section
6 79-1003 for the ensuing school fiscal year for the school district or
7 multiple-district school system and the amount provided with the
8 temporary aid adjustment factor. The State Department of Education
9 shall certify to the school districts and multiple-district school
10 systems the amount by which the maximum levy may be exceeded for the
11 next school fiscal year pursuant to this subdivision (f) of this
12 subsection on or before February 15 for school fiscal years 2004-05
13 through 2007-08.

14 (g) For each school fiscal year before school fiscal year
15 2014-15, learning communities may levy a maximum levy of two cents on
16 each one hundred dollars of taxable property subject to the levy for
17 special building funds for member school districts. The proceeds from
18 the levy pursuant to this subdivision shall be distributed pursuant
19 to section 79-1073.01.

20 (h) For each school fiscal year before school fiscal year
21 2014-15, learning communities may levy a maximum levy of two cents on
22 each one hundred dollars of taxable property subject to the levy for
23 elementary learning center facility leases, for remodeling of leased
24 elementary learning center facilities, and for up to fifty percent of
25 the estimated cost for focus school or program capital projects

1 approved by the learning community coordinating council, ~~pursuant to~~
2 ~~section 79-2111.~~

3 (i) For each school fiscal year before school fiscal year
4 2014-15, learning communities may levy a maximum levy of one cent on
5 each one hundred dollars of taxable property subject to the levy for
6 elementary learning center employees, for contracts with other
7 entities or individuals who are not employees of the learning
8 community for elementary learning center programs and services, and
9 for pilot projects, except that no more than ten percent of such levy
10 may be used for elementary learning center employees.

11 (3)(a) For fiscal years 2011-12 and 2012-13, community
12 college areas may levy a maximum of ten and one-quarter cents per one
13 hundred dollars of taxable valuation of property subject to the levy
14 for operating expenditures and may also levy the additional levies
15 provided in subdivisions (1)(b) and (c) of section 85-1517.

16 (b) For fiscal year 2013-14 and each fiscal year
17 thereafter, community college areas may levy the levies provided in
18 subdivisions (2)(a) through (c) of section 85-1517, in accordance
19 with the provisions of such subdivisions. A community college area
20 may exceed the levy provided in subdivision (2)(b) of section 85-1517
21 by the amount necessary to retire general obligation bonds assumed by
22 the community college area or issued pursuant to section 85-1515
23 according to the terms of such bonds or for any obligation pursuant
24 to section 85-1535 entered into prior to January 1, 1997.

25 (4)(a) Natural resources districts may levy a maximum

1 levy of four and one-half cents per one hundred dollars of taxable
2 valuation of property subject to the levy.

3 (b) Natural resources districts shall also have the power
4 and authority to levy a tax equal to the dollar amount by which their
5 restricted funds budgeted to administer and implement ground water
6 management activities and integrated management activities under the
7 Nebraska Ground Water Management and Protection Act exceed their
8 restricted funds budgeted to administer and implement ground water
9 management activities and integrated management activities for
10 FY2003-04, not to exceed one cent on each one hundred dollars of
11 taxable valuation annually on all of the taxable property within the
12 district.

13 (c) In addition, natural resources districts located in a
14 river basin, subbasin, or reach that has been determined to be fully
15 appropriated pursuant to section 46-714 or designated as
16 overappropriated pursuant to section 46-713 by the Department of
17 Natural Resources shall also have the power and authority to levy a
18 tax equal to the dollar amount by which their restricted funds
19 budgeted to administer and implement ground water management
20 activities and integrated management activities under the Nebraska
21 Ground Water Management and Protection Act exceed their restricted
22 funds budgeted to administer and implement ground water management
23 activities and integrated management activities for FY2005-06, not to
24 exceed three cents on each one hundred dollars of taxable valuation
25 on all of the taxable property within the district for fiscal year

1 2006-07 and each fiscal year thereafter through fiscal year 2017-18.

2 (5) Any educational service unit authorized to levy a
3 property tax pursuant to section 79-1225 may levy a maximum levy of
4 one and one-half cents per one hundred dollars of taxable valuation
5 of property subject to the levy.

6 (6)(a) Incorporated cities and villages which are not
7 within the boundaries of a municipal county may levy a maximum levy
8 of forty-five cents per one hundred dollars of taxable valuation of
9 property subject to the levy plus an additional five cents per one
10 hundred dollars of taxable valuation to provide financing for the
11 municipality's share of revenue required under an agreement or
12 agreements executed pursuant to the Interlocal Cooperation Act or the
13 Joint Public Agency Act. The maximum levy shall include amounts
14 levied to pay for sums to support a library pursuant to section
15 51-201, museum pursuant to section 51-501, visiting community nurse,
16 home health nurse, or home health agency pursuant to section 71-1637,
17 or statue, memorial, or monument pursuant to section 80-202.

18 (b) Incorporated cities and villages which are within the
19 boundaries of a municipal county may levy a maximum levy of ninety
20 cents per one hundred dollars of taxable valuation of property
21 subject to the levy. The maximum levy shall include amounts paid to a
22 municipal county for county services, amounts levied to pay for sums
23 to support a library pursuant to section 51-201, a museum pursuant to
24 section 51-501, a visiting community nurse, home health nurse, or
25 home health agency pursuant to section 71-1637, or a statue,

1 memorial, or monument pursuant to section 80-202.

2 (7) Sanitary and improvement districts which have been in
3 existence for more than five years may levy a maximum levy of forty
4 cents per one hundred dollars of taxable valuation of property
5 subject to the levy, and sanitary and improvement districts which
6 have been in existence for five years or less shall not have a
7 maximum levy. Unconsolidated sanitary and improvement districts which
8 have been in existence for more than five years and are located in a
9 municipal county may levy a maximum of eighty-five cents per hundred
10 dollars of taxable valuation of property subject to the levy.

11 (8) Counties may levy or authorize a maximum levy of
12 fifty cents per one hundred dollars of taxable valuation of property
13 subject to the levy, except that five cents per one hundred dollars
14 of taxable valuation of property subject to the levy may only be
15 levied to provide financing for the county's share of revenue
16 required under an agreement or agreements executed pursuant to the
17 Interlocal Cooperation Act or the Joint Public Agency Act. The
18 maximum levy shall include amounts levied to pay for sums to support
19 a library pursuant to section 51-201 or museum pursuant to section
20 51-501. The county may allocate up to fifteen cents of its authority
21 to other political subdivisions subject to allocation of property tax
22 authority under subsection (1) of section 77-3443 and not
23 specifically covered in this section to levy taxes as authorized by
24 law which do not collectively exceed fifteen cents per one hundred
25 dollars of taxable valuation on any parcel or item of taxable

1 property. The county may allocate to one or more other political
2 subdivisions subject to allocation of property tax authority by the
3 county under subsection (1) of section 77-3443 some or all of the
4 county's five cents per one hundred dollars of valuation authorized
5 for support of an agreement or agreements to be levied by the
6 political subdivision for the purpose of supporting that political
7 subdivision's share of revenue required under an agreement or
8 agreements executed pursuant to the Interlocal Cooperation Act or the
9 Joint Public Agency Act. If an allocation by a county would cause
10 another county to exceed its levy authority under this section, the
11 second county may exceed the levy authority in order to levy the
12 amount allocated. Property tax levies for costs of reassumption of
13 the assessment function pursuant to section 77-1340 or 77-1340.04 are
14 not included in the levy limits established in this subsection for
15 fiscal years 2010-11 through 2013-14.

16 (9) Municipal counties may levy or authorize a maximum
17 levy of one dollar per one hundred dollars of taxable valuation of
18 property subject to the levy. The municipal county may allocate levy
19 authority to any political subdivision or entity subject to
20 allocation under section 77-3443.

21 (10) Property tax levies (a) for judgments, except
22 judgments or orders from the Commission of Industrial Relations,
23 obtained against a political subdivision which require or obligate a
24 political subdivision to pay such judgment, to the extent such
25 judgment is not paid by liability insurance coverage of a political

1 subdivision, (b) for preexisting lease-purchase contracts approved
2 prior to July 1, 1998, (c) for bonds as defined in section 10-134
3 approved according to law and secured by a levy on property except as
4 provided in section 44-4317 for bonded indebtedness issued by
5 educational service units and school districts, and (d) for payments
6 by a public airport to retire interest-free loans from the Department
7 of Aeronautics in lieu of bonded indebtedness at a lower cost to the
8 public airport are not included in the levy limits established by
9 this section.

10 (11) The limitations on tax levies provided in this
11 section are to include all other general or special levies provided
12 by law. Notwithstanding other provisions of law, the only exceptions
13 to the limits in this section are those provided by or authorized by
14 sections 77-3442 to 77-3444.

15 (12) Tax levies in excess of the limitations in this
16 section shall be considered unauthorized levies under section 77-1606
17 unless approved under section 77-3444.

18 (13) For purposes of sections 77-3442 to 77-3444,
19 political subdivision means a political subdivision of this state and
20 a county agricultural society.

21 (14) For school districts that file a binding resolution
22 on or before May 9, 2008, with the county assessors, county clerks,
23 and county treasurers for all counties in which the school district
24 has territory pursuant to subsection (7) of section 79-458, if the
25 combined levies, except levies for bonded indebtedness approved by

1 the voters of the school district and levies for the refinancing of
2 such bonded indebtedness, are in excess of the greater of (a) one
3 dollar and twenty cents per one hundred dollars of taxable valuation
4 of property subject to the levy or (b) the maximum levy authorized by
5 a vote pursuant to section 77-3444, all school district levies,
6 except levies for bonded indebtedness approved by the voters of the
7 school district and levies for the refinancing of such bonded
8 indebtedness, shall be considered unauthorized levies under section
9 77-1606.

10 Sec. 25. Section 79-102, Reissue Revised Statutes of
11 Nebraska, is amended to read:

12 79-102 School districts in this state are classified as
13 follows:

14 (1) Class I includes any school district that maintains
15 only elementary grades under the direction of a single school board;

16 (2) Class II includes any school district embracing
17 territory having a population of one thousand inhabitants or less
18 that maintains both elementary and high school grades under the
19 direction of a single school board;

20 (3) Class III includes any school district embracing
21 territory having a population of more than one thousand and less than
22 one hundred fifty thousand inhabitants that maintains both elementary
23 and high school grades under the direction of a single school board;

24 (4) Class IV includes any school district embracing
25 territory having a population of one hundred thousand or more

1 inhabitants with a city of the primary class within the territory of
2 the district that maintains both elementary and high school grades
3 under the direction of a single school board;

4 (5) Class V includes any school district whose employees
5 participate in a retirement system established pursuant to the Class
6 V School Employees Retirement Act and which embraces territory having
7 a city of the metropolitan class within the territory of the district
8 that maintains both elementary grades and high school grades under
9 the direction of a single school board; and ~~and any school district~~
10 ~~with territory in a city of the metropolitan class created pursuant~~
11 ~~to the Learning Community Reorganization Act and designated as a~~
12 ~~Class V school district in the reorganization plan; and~~

13 (6) Class VI includes any school district in this state
14 that maintains only a high school, or a high school and grades seven
15 and eight or six through eight as provided in section 79-411, under
16 the direction of a single school board.

17 Sec. 26. Section 79-201, Revised Statutes Cumulative
18 Supplement, 2012, is amended to read:

19 79-201 (1) For purposes of this section, a child is of
20 mandatory attendance age if the child (a) will reach six years of age
21 prior to January 1 of the then-current school year and (b) has not
22 reached eighteen years of age.

23 (2) Except as provided in subsection (3) of this section,
24 every person residing in a school district within the State of
25 Nebraska who has legal or actual charge or control of any child who

1 is of mandatory attendance age or is enrolled in a public school
2 shall cause such child to enroll in, if such child is not enrolled,
3 and attend regularly a public, private, denominational, or parochial
4 day school which meets the requirements for legal operation
5 prescribed in Chapter 79, or a school which elects pursuant to
6 section 79-1601 not to meet accreditation or approval requirements,
7 each day that such school is open and in session, except when excused
8 by school authorities or when illness or severe weather conditions
9 make attendance impossible or impracticable.

10 (3) Subsection (2) of this section does not apply in the
11 case of any child who:

12 (a) Has obtained a high school diploma by meeting the
13 graduation requirements established in section 79-729;

14 (b) Has completed the program of instruction offered by a
15 school which elects pursuant to section 79-1601 not to meet
16 accreditation or approval requirements;

17 (c) Has reached sixteen years of age and has been
18 withdrawn from school pursuant to section 79-202;

19 (d)(i) Will reach six years of age prior to January 1 of
20 the then-current school year, but will not reach seven years of age
21 prior to January 1 of such school year, (ii) such child's parent or
22 guardian has signed an affidavit stating that the child is
23 participating in an education program that the parent or guardian
24 believes will prepare the child to enter grade one for the following
25 school year, and (iii) such affidavit has been filed by the parent or

1 guardian with the school district in which the child resides;

2 (e)(i) Will reach six years of age prior to January 1 of
3 the then-current school year but has not reached seven years of age,
4 (ii) such child's parent or guardian has signed an affidavit stating
5 that the parent or guardian intends for the child to participate in a
6 school which has elected or will elect pursuant to section 79-1601
7 not to meet accreditation or approval requirements and the parent or
8 guardian intends to provide the Commissioner of Education with a
9 statement pursuant to subsection (3) of section 79-1601 on or before
10 the child's seventh birthday, and (iii) such affidavit has been filed
11 by the parent or guardian with the school district in which the child
12 resides; or

13 (f) Will not reach six years of age prior to January 1 of
14 the then-current school year and such child was enrolled in a public
15 school and has discontinued the enrollment according to the policy of
16 the school board adopted pursuant to subsection (4) of this section.

17 (4) The board shall adopt policies allowing
18 discontinuation of the enrollment of students who will not reach six
19 years of age prior to January 1 of the then-current school year and
20 specifying the procedures therefor.

21 (5) ~~Each~~ For all school years before school year 2014-15,
22 each school district that is a member of a learning community shall
23 report to the learning community coordinating council on or before
24 September 1 of each year for the immediately preceding school year
25 the following information:

1 (a) All reports of violations of this section made to the
2 attendance officer of any school in the district pursuant to section
3 79-209;

4 (b) The results of all investigations conducted pursuant
5 to section 79-209, including the attendance record that is the
6 subject of the investigation and a list of services rendered in the
7 case;

8 (c) The district's policy on excessive absenteeism; and

9 (d) Records of all notices served and reports filed
10 pursuant to section 79-209 and the district's policy on habitual
11 truancy.

12 Sec. 27. Section 79-215, Revised Statutes Cumulative
13 Supplement, 2012, is amended to read:

14 79-215 (1) Except as otherwise provided in this section,
15 a student is a resident of the school district where he or she
16 resides and shall be admitted to any such school district upon
17 request without charge.

18 (2) A school board shall admit a student upon request
19 without charge if at least one of the student's parents resides in
20 the school district.

21 (3) A school board shall admit any homeless student upon
22 request without charge.

23 (4) A school board may allow a student whose residency in
24 the district ceases during a school year to continue attending school
25 in such district for the remainder of that school year.

1 (5) A school board may admit nonresident students to the
2 school district pursuant to a contract with the district where the
3 student is a resident and shall collect tuition pursuant to the
4 contract.

5 (6) A school board may admit nonresident students to the
6 school district pursuant to the enrollment option program as
7 authorized by sections 79-232 to 79-246, and such admission shall be
8 without charge.

9 (7) ~~A~~ For all school years before school year 2014-15, a
10 school board of any school district that is a member of a learning
11 community shall admit nonresident students to the school district
12 pursuant to the open enrollment provisions of a diversity plan in a
13 learning community as authorized by section 79-2110, as such section
14 existed immediately prior to July 1, 2014, and such admission shall
15 be without charge.

16 (8) A school board may admit a student who is a resident
17 of another state to the school district and collect tuition in
18 advance at a rate determined by the school board.

19 (9) When a student as a ward of the state or as a ward of
20 any court (a) has been placed in a school district other than the
21 district in which he or she resided at the time he or she became a
22 ward and such ward does not reside in a foster family home licensed
23 or approved by the Department of Health and Human Services or a
24 foster home maintained or used pursuant to section 83-108.04 or (b)
25 has been placed in any institution which maintains a special

1 education program which has been approved by the State Department of
2 Education and such institution is not owned or operated by the
3 district in which he or she resided at the time he or she became a
4 ward, the cost of his or her education and the required
5 transportation costs associated with the student's education shall be
6 paid by the state, but not in advance, to the receiving school
7 district or approved institution under rules and regulations
8 prescribed by the Department of Health and Human Services and the
9 student shall remain a resident of the district in which he or she
10 resided at the time he or she became a ward. Any student who is a
11 ward of the state or a ward of any court who resides in a foster
12 family home licensed or approved by the Department of Health and
13 Human Services or a foster home maintained or used pursuant to
14 section 83-108.04 shall be deemed a resident of the district in which
15 he or she resided at the time he or she became a foster child, unless
16 it is determined under section 43-1311 or 43-1312 that he or she will
17 not attend such district in which case he or she shall be deemed a
18 resident of the district in which the foster family home or foster
19 home is located.

20 (10)(a) When a student is not a ward of the state or a
21 ward of any court and is residing in a residential setting located in
22 Nebraska for reasons other than to receive an education and the
23 residential setting is operated by a service provider which is
24 certified or licensed by the Department of Health and Human Services
25 or is enrolled in the medical assistance program established pursuant

1 to the Medical Assistance Act and Title XIX or XXI of the federal
2 Social Security Act, as amended, the student shall remain a resident
3 of the district in which he or she resided immediately prior to
4 residing in such residential setting. The resident district for a
5 student who is not a ward of the state or a ward of any court does
6 not change when the student moves from one residential setting to
7 another.

8 (b) If a student is residing in a residential setting as
9 described in subdivision (10)(a) of this section and such residential
10 setting does not maintain an interim-program school as defined in
11 section 79-1119.01 or an approved or accredited school, the resident
12 school district shall contract with the district in which such
13 residential setting is located for the provision of all educational
14 services, including all special education services and support
15 services as defined in section 79-1125.01, unless a parent or
16 guardian and the resident school district agree that an appropriate
17 education will be provided by the resident school district while the
18 student is residing in such residential setting. If the resident
19 school district is required to contract, the district in which such
20 residential setting is located shall contract with the resident
21 district and provide all educational services, including all special
22 education services, to the student. If the two districts cannot agree
23 on the amount of the contract, the State Department of Education
24 shall determine the amount to be paid by the resident district to the
25 district in which such residential setting is located based on the

1 needs of the student, approved special education rates, the
2 department's general experience with special education budgets, and
3 the cost per student in the district in which such residential
4 setting is located. Once the contract has been entered into, all
5 legal responsibility for special education and related services shall
6 be transferred to the school district in which the residential
7 setting is located.

8 (c) If a student is residing in a residential setting as
9 described in subdivision (10)(a) of this section and such residential
10 setting maintains an interim-program school as defined in section
11 79-1119.01 or an approved or accredited school, the department shall
12 reimburse such residential setting for the provision of all
13 educational services, including all special education services and
14 support services, with the amount of payment for all educational
15 services determined pursuant to the average per pupil cost of the
16 service agency as defined in section 79-1116. The resident school
17 district shall retain responsibility for such student's
18 individualized education plan, if any. The educational services may
19 be provided through (i) such interim-program school or approved or
20 accredited school, (ii) a contract between the residential setting
21 and the school district in which such residential setting is located,
22 (iii) a contract between the residential setting and another service
23 agency as defined in section 79-1124, or (iv) a combination of such
24 educational service providers.

25 (d) If a school district pays a school district in which

1 a residential setting is located for educational services provided
2 pursuant to subdivision (10)(b) of this section and it is later
3 determined that a different school district was the resident school
4 district for such student at the time such educational services were
5 provided, the school district that was later determined to be the
6 resident school district shall reimburse the school district that
7 initially paid for the educational services one hundred ten percent
8 of the amount paid.

9 (e) A student residing in a residential setting described
10 in this subsection shall be defined as a student with a handicap
11 pursuant to Article VII, section 11, of the Constitution of Nebraska,
12 and as such the state and any political subdivision may contract with
13 institutions not wholly owned or controlled by the state or any
14 political subdivision to provide the educational services to the
15 student if such educational services are nonsectarian in nature.

16 (11) In the case of any individual eighteen years of age
17 or younger who is a ward of the state or any court and who is placed
18 in a county detention home established under section 43-2,110, the
19 cost of his or her education shall be paid by the state, regardless
20 of the district in which he or she resided at the time he or she
21 became a ward, to the agency or institution which: (a) Is selected by
22 the county board with jurisdiction over such detention home; (b) has
23 agreed or contracted with such county board to provide educational
24 services; and (c) has been approved by the State Department of
25 Education pursuant to rules and regulations prescribed by the State

1 Board of Education.

2 (12) No tuition shall be charged for students who may be
3 by law allowed to attend the school without charge.

4 (13) On a form prescribed by the State Department of
5 Education, an adult with legal or actual charge or control of a
6 student shall provide the name of the student, the name of the adult
7 with legal or actual charge or control of the student, the address
8 where the student is residing, and the telephone number and address
9 where the adult may generally be reached during the school day. If
10 the student is homeless or if the adult does not have a telephone
11 number and address where he or she may generally be reached during
12 the school day, those parts of the form may be left blank and a box
13 may be marked acknowledging that these are the reasons these parts of
14 the form were left blank. The adult with legal or actual charge or
15 control of the student shall also sign the form.

16 (14) The department may adopt and promulgate rules and
17 regulations to carry out the department's responsibilities under this
18 section.

19 Sec. 28. Section 79-233, Revised Statutes Cumulative
20 Supplement, 2012, is amended to read:

21 79-233 For purposes of sections 79-232 to 79-246:

22 (1) Enrollment option program means the program
23 established in section 79-234;

24 (2) Option school district means the public school
25 district that an option student chooses to attend instead of his or

1 her resident school district;

2 (3) Option student means a student that has chosen to
3 attend an option school district. For all school years before school
4 year 2014-15, option student includes, ~~including~~ a student who
5 resides in a learning community and began attendance as an option
6 student in an option school district in such learning community prior
7 to the end of the first full school year for which the option school
8 district will be a member of such learning community, but not
9 including a student who resides in a learning community and who
10 attends pursuant to section 79-2110, as such section existed
11 immediately before July 1, 2014, another school district in such
12 learning community;

13 (4) Resident school district means the public school
14 district in which a student resides or the school district in which
15 the student is admitted as a resident of the school district pursuant
16 to section 79-215; and

17 (5) Siblings means all children residing in the same
18 household on a permanent basis who have the same mother or father or
19 who are stepbrother or stepsister to each other.

20 Sec. 29. Section 79-237, Revised Statutes Cumulative
21 Supplement, 2012, is amended to read:

22 79-237 (1) ~~For~~ Except as provided in subsection (2) of
23 this section, for a student to begin attendance as an option student
24 in an option school district, ~~which is not in a learning community in~~
25 ~~which the student resides,~~ the student's parent or legal guardian

1 shall submit an application to the school board of the option school
2 district between September 1 and March 15 for attendance during the
3 following and subsequent school years. Applications submitted after
4 March 15 shall contain a release approval from the resident school
5 district on the application form prescribed and furnished by the
6 State Department of Education pursuant to subsection (7) of this
7 section. A district may not accept or approve any applications
8 submitted after such date without such a release approval. The option
9 school district shall provide the resident school district with the
10 name of the applicant on or before April 1 or, in the case of an
11 application submitted after March 15, within sixty days after
12 submission. The option school district shall notify, in writing, the
13 parent or legal guardian of the student, the resident school
14 district, and the State Department of Education whether the
15 application is accepted or rejected on or before April 1 or, in the
16 case of an application submitted after March 15, within sixty days
17 after submission.

18 (2) For all school years before school year 2014-15, for
19 a student who resides in a learning community to begin attendance in
20 an option school district which is a member of such learning
21 community, the student's parent or legal guardian shall submit an
22 application to the school board of the option school district ~~(a) for~~
23 ~~any learning community established prior to February 13, 2009,~~
24 ~~between February 13, 2009, and April 1, 2009, or (b) for any learning~~
25 ~~community established thereafter, between September 1 and March 15.~~

1 Applications submitted after such deadlines shall be accompanied by a
2 written release from the resident school district. Students who
3 reside in a learning community shall only begin attendance in an
4 option school district which is a member of such learning community
5 prior to the end of the first full school year for which the option
6 school district is a member of such learning community. The option
7 school district shall provide the resident school district with the
8 name of the applicant within five days after the applicable deadline.
9 The option school district shall notify, in writing, the parent or
10 legal guardian of the student, the resident school district, and the
11 State Department of Education whether the application is accepted or
12 rejected on or before April 10 for applications submitted for school
13 year 2009-10 and on or before April 1 for applications submitted for
14 any school year thereafter. A parent or guardian may provide
15 information on the application regarding the applicant's potential
16 qualification for free or reduced-price lunches. Any such information
17 provided shall be subject to verification and shall only be used for
18 the purposes of subsection (4) of section 79-238. Nothing in this
19 subsection requires a parent or guardian to provide such information.
20 Determinations about an applicant's qualification for free or
21 reduced-price lunches for purposes of subsection (4) of section
22 79-238 shall be based on any verified information provided on the
23 application. If no such information is provided, the student shall be
24 presumed not to qualify for free or reduced-price lunches for the
25 purposes of subsection (4) of section 79-238.

1 (3) Applications for students who do not actually attend
2 the option school district may be withdrawn in good standing upon
3 mutual agreement by both the resident and option school districts.

4 (4) No option student shall attend an option school
5 district for less than one school year unless the student relocates
6 to a different resident school district, completes requirements for
7 graduation prior to the end of his or her senior year, transfers to a
8 private or parochial school, or upon mutual agreement of the resident
9 and option school districts cancels the enrollment option and returns
10 to the resident school district.

11 (5) Except as provided in subsection (4) of this section,
12 the option student shall attend the option school district until
13 graduation unless the student relocates in a different resident
14 school district, transfers to a private or parochial school, or
15 chooses to return to the resident school district.

16 (6) In each case of cancellation pursuant to subsections
17 (4) and (5) of this section, the student's parent or legal guardian
18 shall provide written notification to the school board of the option
19 school district, the resident school district, and the department on
20 forms prescribed and furnished by the department under subsection (7)
21 of this section in advance of such cancellation.

22 (7) The application and cancellation forms shall be
23 prescribed and furnished by the State Department of Education.

24 (8) An option student who subsequently chooses to attend
25 a private or parochial school shall be automatically accepted to

1 return to either the resident school district or option school
2 district upon the completion of the grade levels offered at the
3 private or parochial school. If such student chooses to return to the
4 option school district, the student's parent or legal guardian shall
5 submit another application to the school board of the option school
6 district which shall be automatically accepted, and the deadlines
7 prescribed in this section shall be waived.

8 Sec. 30. Section 79-238, Revised Statutes Cumulative
9 Supplement, 2012, is amended to read:

10 79-238 (1) Except as provided in section 79-240, the
11 school board of the option school district shall adopt by resolution
12 specific standards for acceptance and rejection of applications.
13 Standards may include the capacity of a program, class, grade level,
14 or school building or the availability of appropriate special
15 education programs operated by the option school district. Capacity
16 shall be determined by setting a maximum number of option students
17 that a district will accept in any program, class, grade level, or
18 school building, based upon available staff, facilities, projected
19 enrollment of resident students, projected number of students with
20 which the option school district will contract based on existing
21 contractual arrangements, and availability of appropriate special
22 education programs. The school board of the option school district
23 may by resolution declare a program, a class, or a school unavailable
24 to option students due to lack of capacity. Standards shall not
25 include previous academic achievement, athletic or other

1 extracurricular ability, disabilities, proficiency in the English
2 language, or previous disciplinary proceedings except as provided in
3 section 79-266.01. False or substantively misleading information
4 submitted by a parent or guardian on an application to an option
5 school district may be cause for the option school district to reject
6 a previously accepted application if the rejection occurs prior to
7 the student's attendance as an option student.

8 (2) The school board of every school district shall also
9 adopt standards and conditions for acceptance or rejection of a
10 request for release of a resident student submitting an application
11 to an option school district after March 15 under subsection (1) of
12 section 79-237.

13 (3) Any option school district shall give first priority
14 for enrollment to siblings of option students, except that the option
15 school district shall not be required to accept the sibling of an
16 option student if the district is at capacity except as provided in
17 subsection (1) of section 79-240.

18 (4) ~~Any~~ For any school year before school year 2014-15,
19 any option school district that is in a learning community shall give
20 second priority for enrollment to students who reside in the learning
21 community and who contribute to the socioeconomic diversity of
22 enrollment as defined in section 79-2110, as such section existed
23 immediately prior to July 1, 2014, at the school building to which
24 the student will be assigned pursuant to section 79-235.

25 Sec. 31. Section 79-407, Reissue Revised Statutes of

1 Nebraska, is amended to read:

2 79-407 The territory within the corporate limits of each
3 incorporated city or village in the State of Nebraska, ~~that is not in~~
4 ~~part within the boundaries of a learning community,~~ together with
5 such additional territory and additions to such city or village as
6 may be added thereto, as declared by ordinances to be boundaries of
7 such city or village, having a population of more than one thousand
8 and less than one hundred fifty thousand inhabitants, including such
9 adjacent territory as now is or hereafter may be attached for school
10 purposes, shall constitute a Class III school district., ~~except that~~
11 ~~nothing in this section shall be construed to change the boundaries~~
12 ~~of any school district that is a member of a learning community.~~ The
13 school district shall be a body corporate and possess all the usual
14 powers of a corporation for public purposes and may sue and be sued,
15 purchase, hold, and sell such personal and real property, and control
16 such obligations as are authorized by law.

17 Sec. 32. Section 79-408, Revised Statutes Cumulative
18 Supplement, 2012, is amended to read:

19 79-408 The territory now or hereafter embraced within
20 each incorporated city of the primary class in the State of Nebraska,
21 ~~that is not in part within the boundaries of a learning community,~~
22 such adjacent territory as now or hereafter may be included therewith
23 for school purposes, and such territory not adjacent thereto as may
24 have been added thereto by law shall constitute a Class IV school
25 district., ~~except that nothing in this section shall be construed to~~

1 ~~change the boundaries of any school district that is a member of a~~
2 ~~learning community.~~ A Class IV school district shall be a body
3 corporate and possess all the usual powers of a corporation for
4 public purposes, may sue and be sued, and may purchase, hold, and
5 sell such personal and real estate and contract such obligations as
6 are authorized by law. The powers of a Class IV district include, but
7 are not limited to, the power to adopt, administer, and amend from
8 time to time such retirement, annuity, insurance, and other benefit
9 plans for its present and future employees after their retirement, or
10 any reasonable classification thereof, as may be deemed proper by the
11 board of education. The board of education shall not establish a
12 retirement system for new employees supplemental to the School
13 Employees Retirement System of the State of Nebraska.

14 The title to all real or personal property owned by such
15 school district shall, upon the organization of the school district,
16 vest immediately in the school district so created. The board of
17 education shall have exclusive control of all property belonging to
18 the school district.

19 In the discretion of the board of education, funds
20 accumulated in connection with a retirement plan may be transferred
21 to and administered by a trustee or trustees to be selected by the
22 board of education, or if the retirement plan is in the form of
23 annuity or insurance contracts, such funds, or any part thereof, may
24 be paid to a duly licensed insurance carrier or carriers selected by
25 the board of education. Funds accumulated in connection with any such

1 retirement plan, and any other funds of the school district which are
2 not immediately required for current needs or expenses, may be
3 invested and reinvested by the board of education or by its authority
4 in securities of a type permissible either for the investment of
5 funds of a domestic legal reserve life insurance company or for the
6 investment of trust funds, according to the laws of the State of
7 Nebraska.

8 Sec. 33. Section 79-413, Revised Statutes Cumulative
9 Supplement, 2012, is amended to read:

10 79-413 (1) The State Committee for the Reorganization of
11 School Districts created under section 79-435 may create a new school
12 district from other districts, change the boundaries of any district,
13 ~~that is not a member of a learning community,~~ or affiliate a Class I
14 district or portion thereof with one or more existing Class II, III,
15 IV, or V districts upon receipt of petitions signed by sixty percent
16 of the legal voters of each district affected. If the petitions
17 contain signatures of at least sixty-five percent of the legal voters
18 of each district affected, the state committee shall approve the
19 petitions. When area is added to a Class VI district or when a Class
20 I district which is entirely or partially within a Class VI district
21 is taken from the Class VI district, the Class VI district shall be
22 deemed to be an affected district.

23 Any petition of the legal voters of a Class I district in
24 which no city or village is situated which is commenced after January
25 1, 1996, and proposes the dissolution of the Class I district and the

1 attachment of a portion of it to two or more districts shall require
2 signatures of more than fifty percent of the legal voters of such
3 Class I district. If the state committee determines that such
4 petition contains valid signatures of more than fifty percent of the
5 legal voters of such Class I district, the state committee shall
6 grant the petition.

7 (2)(a) Petitions proposing to change the boundaries of
8 existing school districts ~~that are not members of a learning~~
9 ~~community~~ through the transfer of a parcel of land, not to exceed six
10 hundred forty acres, shall be approved by the state committee when
11 the petitions involve the transfer of land between Class I, II, III,
12 or IV school districts or when there would be an exchange of parcels
13 of land between Class I, II, III, or IV school districts and the
14 petitions have the approval of at least sixty-five percent of the
15 school board of each affected district. If the transfer of the parcel
16 of land is from a Class I school district to one or more Class II,
17 III, IV, V, or VI school districts of which the parcel is not a part
18 or with which the parcel is not affiliated, any Class II, III, IV, V,
19 or VI school district of which the parcel is not a part or with which
20 the parcel is affiliated shall be deemed an affected district.

21 (b) The state committee shall not approve a change of
22 boundaries pursuant to this section relating to affiliation of school
23 districts if twenty percent or more of any tract of land under common
24 ownership which is proposing to affiliate is not contiguous to the
25 high school district with which affiliation is proposed unless (i)

1 one or more resident students of the tract of land under common
2 ownership has attended the high school program of the high school
3 district within the immediately preceding ten-year period or (ii)
4 approval of the petition or plan would allow siblings of such
5 resident students to attend the same school as the resident students
6 attended.

7 (3)(a) Petitions proposing to create a new school
8 district, to change the boundary lines of existing school districts,
9 ~~that are not members of a learning community,~~ to create an affiliated
10 school system, or to affiliate a Class I district in part and to join
11 such district in part with a Class VI district, any of which involves
12 the transfer of more than six hundred forty acres, shall, when signed
13 by at least sixty percent of the legal voters in each district
14 affected, be submitted to the state committee. In the case of a
15 petition for affiliation or a petition to affiliate in part and in
16 part to join a Class VI district, the state committee shall review
17 the proposed affiliation subject to sections 79-425 and 79-426. The
18 state committee shall, within forty days after receipt of the
19 petition, hold one or more public hearings and review and approve or
20 disapprove such proposal.

21 (b) If there is a bond election to be held in conjunction
22 with the petition, the state committee shall hold the petition until
23 the bond election has been held, during which time names may be added
24 to or withdrawn from the petitions. The results of the bond election
25 shall be certified to the state committee.

1 (c) If the bond election held in conjunction with the
2 petition is unsuccessful, no further action on the petition is
3 required. If the bond election is successful, within fifteen days
4 after receipt of the certification of the bond election results, the
5 state committee shall approve the petition and notify the county
6 clerk to effect the changes in district boundary lines as set forth
7 in the petitions.

8 (4) Any person adversely affected by the changes made by
9 the state committee may appeal to the district court of any county in
10 which the real estate or any part thereof involved in the dispute is
11 located. If the real estate is located in more than one county, the
12 court in which an appeal is first perfected shall obtain jurisdiction
13 to the exclusion of any subsequent appeal.

14 (5) A signing petitioner may withdraw his or her name
15 from a petition and a legal voter may add his or her name to a
16 petition at any time prior to the end of the period when the petition
17 is held by the state committee. Additions and withdrawals of
18 signatures shall be by notarized affidavit filed with the state
19 committee.

20 Sec. 34. Section 79-415, Reissue Revised Statutes of
21 Nebraska, is amended to read:

22 79-415 (1) In addition to the petitions of legal voters
23 pursuant to section 79-413, changes in boundaries and the creation of
24 a new school district from other districts may be initiated and
25 accepted by the school board or board of education of any district.

1 ~~that is not a member of a learning community.~~

2 (2) In addition to the petitions of legal voters pursuant
3 to section 79-413, the affiliation of a Class I district or portion
4 thereof with one or more Class II, III, IV, or V districts may be
5 initiated and accepted by:

6 (a) The board of education of any Class II, III, IV, or V
7 district; and

8 (b) The school board of any Class I district in which is
9 located a city or incorporated village.

10 Sec. 35. Section 79-416, Reissue Revised Statutes of
11 Nebraska, is amended to read:

12 79-416 When the legal voters of a Class I or Class II
13 school district ~~that is not a member of a learning community and in~~
14 which no city or village is located petition to merge in whole or in
15 part with a Class I or Class II district, the merger may be accepted
16 by petition of the school board of the accepting district. When the
17 legal voters of a Class I district petition to affiliate in whole or
18 in part with one or more Class II, III, IV, or V districts, such
19 affiliation may be accepted or rejected by petition of the school
20 board or board of education of any such district, but in either case
21 the petition to affiliate shall be accepted or rejected within sixty
22 days after the date of receipt of the petition by the school board or
23 board of education of such district.

24 Sec. 36. Section 79-433, Reissue Revised Statutes of
25 Nebraska, is amended to read:

1 79-433 For purposes of the Reorganization of School
2 Districts Act, unless the context otherwise requires:

3 (1) Reorganization of school districts means the
4 formation of new school districts, the alteration of boundaries of
5 established school districts, ~~that are not members of a learning~~
6 ~~community,~~ the affiliation of school districts, and the dissolution
7 or disorganization of established school districts through or by
8 means of any one or combination of the methods set out in section
9 79-434; and

10 (2) State committee means the State Committee for the
11 Reorganization of School Districts created by section 79-435.

12 Sec. 37. Section 79-452, Reissue Revised Statutes of
13 Nebraska, is amended to read:

14 79-452 A proposal to dissolve a Class I or II school
15 district, except a Class I school district which is partly or wholly
16 within a Class VI school district, and attach it to one or more
17 existing Class II, III, or IV school districts ~~that are not members~~
18 ~~of a learning community~~ may be initiated by filing with the State
19 Committee for the Reorganization of School Districts a petition or
20 petitions signed by at least twenty-five percent of the legal voters
21 of the district, together with an affidavit from the county clerk or
22 election commissioner listing all legal voters of the district and a
23 determination by the county clerk or election commissioner that the
24 signatures are sufficient. The petition shall contain a plan of the
25 proposed reorganization, an effective date, and a statement whether

1 any existing bonded indebtedness shall remain on the property of the
2 district which incurred it or be assumed by the enlarged district.
3 The petition may also contain provisions for the holding of school
4 within existing buildings in the proposed reorganized district, and
5 when so provided, the holding of school within such buildings shall
6 be maintained from the date of reorganization unless either the legal
7 voters served by the school or the school board of the reorganized
8 district votes by a majority vote for discontinuance of the school.
9 In case of conflicting votes between the legal voters and the school
10 board on such issue, the decision of the legal voters shall prevail.
11 A signing petitioner shall not be permitted to withdraw his or her
12 name from the petition after the petition has been filed. The school
13 board of each Class II, III, or IV district to which the merger is
14 proposed shall also submit to the state committee a statement to the
15 effect that a majority of the board members approve the proposal
16 contained in the petition.

17 Sec. 38. Section 79-458, Reissue Revised Statutes of
18 Nebraska, is amended to read:

19 79-458 (1) Any freeholder or freeholders, person in
20 possession or constructive possession as vendee pursuant to a
21 contract of sale of the fee, holder of a school land lease under
22 section 72-232, or entrant upon government land who has not yet
23 received a patent therefor may file a petition on or before June 1
24 for all other years with a board consisting of the county assessor,
25 county clerk, and county treasurer, asking to have any tract or

1 tracts of land described in the petition set off from an existing
2 school district in which the land is situated and attached to a
3 different school district which is contiguous to such tract or tracts
4 of land if:

5 (a)(i) The school district in which the land is situated
6 is a Class II or III school district which has had an average daily
7 membership in grades nine through twelve of less than sixty for the
8 two consecutive school fiscal years immediately preceding the filing
9 of the petition;

10 (ii) Such Class II or III school district has voted
11 pursuant to section 77-3444 to exceed the maximum levy established
12 pursuant to subdivision (2)(a) of section 77-3442, which vote is
13 effective for the school fiscal year in which the petition is filed
14 or for the following school fiscal year; and

15 (iii) The high school in such Class II or III school
16 district is within fifteen miles on a maintained public highway or
17 maintained public road of another public high school; and or

18 ~~(iv) Neither school district is a member of a learning~~
19 ~~community; or~~

20 (b) Except as provided in subsection (7) of this section,
21 the school district in which the land is situated, regardless of the
22 class of school district, has approved a budget for the school fiscal
23 year in which the petition is filed that will cause the combined
24 levies for such school fiscal year, except levies for bonded
25 indebtedness approved by the voters of such school district and

1 levies for the refinancing of such bonded indebtedness, to exceed the
2 greater of (i) one dollar and twenty cents per one hundred dollars of
3 taxable valuation of property subject to the levy or (ii) the maximum
4 levy authorized by a vote pursuant to section 77-3444.

5 For purposes of determining whether a tract of land is
6 contiguous, all petitions currently being considered by the board
7 shall be considered together as a whole.

8 (2) The petition shall state the reasons for the proposed
9 change and shall show with reference to the land of each petitioner:
10 (a) That (i) the land described in the petition is either owned by
11 the petitioner or petitioners or that he, she, or they hold a school
12 land lease under section 72-232, are in possession or constructive
13 possession as vendee under a contract of sale of the fee simple
14 interest, or have made an entry on government land but have not yet
15 received a patent therefor and (ii) such tract of land includes all
16 such contiguous land owned or controlled by each petitioner; (b) that
17 the conditions of subdivision (1)(a) or (1)(b) of this section have
18 been met; and (c) that such petition is approved by a majority of the
19 members of the school board of the district to which such land is
20 sought to be attached.

21 (3) The petition shall be verified by the oath of each
22 petitioner. Notice of the filing of the petition and of the hearing
23 on such petition before the board constituted as prescribed in
24 subsection (1) or (4) of this section shall be given at least ten
25 days prior to the date of such hearing by one publication in a legal

1 newspaper of general circulation in each district and by posting a
2 notice on the outer door of the schoolhouse in each district affected
3 thereby, and such notice shall designate the territory to be
4 transferred. Following the filing of a petition pursuant to this
5 section, such board shall hold a public hearing on the petition and
6 shall approve or disapprove the petition on or before July 15
7 following the filing of the petition based on a determination of
8 whether the petitioner has complied with all requirements of this
9 section. If such board approves the petition, such board shall change
10 the boundaries of the school districts so as to set off the land
11 described in the petition and attach it to such district pursuant to
12 the petition with an effective date of August 15 following the filing
13 of the petition, which actions shall cause such transfer to be in
14 effect for levies set for the year in which such transfer takes
15 effect.

16 (4) Petitions requesting transfers of property across
17 county lines shall be addressed jointly to the county clerks of the
18 counties concerned, and the petitions shall be acted upon by the
19 county assessors, county clerks, and county treasurers of the
20 counties involved as one board, with the county clerk of the county
21 from which the land is sought to be transferred acting as chairperson
22 of the board.

23 (5) Appeals may be taken from the action of such board
24 or, when such board fails to act on the petition, on or before August
25 1 following the filing of the petition, to the district court of the

1 county in which the land is located on or before August 10 following
2 the filing of the petition, in the same manner as appeals are now
3 taken from the action of the county board in the allowance or
4 disallowance of claims against the county. If an appeal is taken from
5 the action of the board approving the petition or failing to act on
6 the petition, the transfer shall occur effective August 15 following
7 the filing of the petition, which actions shall cause such transfer
8 to be in effect for levies set for the year in which such transfer
9 takes effect, unless action by the district court prevents such
10 transfer.

11 (6) This section does not apply to any school district
12 located on an Indian reservation and substantially or totally
13 financed by the federal government.

14 (7) For school districts that have approved a budget for
15 school fiscal year 2007-08 that will cause the combined levies,
16 except levies for bonded indebtedness approved by the voters of the
17 school district and levies for the refinancing of such bonded
18 indebtedness, to exceed the greater of (a) one dollar and twenty
19 cents per one hundred dollars of taxable valuation of property
20 subject to the levy or (b) the maximum levy authorized by a vote
21 pursuant to section 77-3444, the school boards of such school
22 districts may adopt a binding resolution stating that the combined
23 levies, except levies for bonded indebtedness approved by the voters
24 of the school district and levies for the refinancing of such bonded
25 indebtedness, for school fiscal year 2008-09 shall not exceed the

1 greater of (i) one dollar and twenty cents per one hundred dollars of
2 taxable valuation of property subject to the levy or (ii) the maximum
3 levy authorized by a vote pursuant to section 77-3444. On or before
4 May 9, 2008, such binding resolutions shall be filed with the Auditor
5 of Public Accounts and the county assessors, county clerks, and
6 county treasurers for all counties in which the school district has
7 territory. If such binding resolution is filed on or before May 9,
8 2008, land shall not be set off and attached to another district
9 pursuant to subdivision (2)(b) of this section in 2008.

10 (8) Nothing in this section shall be construed to detach
11 obligations for voter-approved bonds from any tract of land.

12 Sec. 39. Section 79-458.01, Reissue Revised Statutes of
13 Nebraska, is amended to read:

14 79-458.01 Any landowner or group of landowners whose
15 property is a part of a school district and is encapsulated by
16 another school district may, upon filing a notarized affidavit with
17 the county assessor, have such property become a part of the school
18 district by which it is encapsulated. ~~if neither school district is a~~
19 ~~member of a learning community.~~ The transfer shall take place on
20 January 1 next following the filing of the affidavit. Any student
21 resident of such property shall be counted as a resident of the
22 district from which the property was transferred until the close of
23 the school year in which the transfer becomes effective.

24 For purposes of this section, encapsulated by means
25 entirely within.

1 Sec. 40. Section 79-467, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 79-467 Whenever (1) a school district ~~that is not a~~
4 ~~member of a learning community~~ suffers a reduction in the taxable
5 valuation of the real property within the district by reason of the
6 purchase or appropriation by the United States or any instrumentality
7 of the United States of land in the district for any defense, flood
8 control, irrigation, or war project, (2) the number of children who
9 are five through twenty years of age residing in the district
10 increases by reason of the use by the United States of the land so
11 purchased or appropriated for such purposes, and (3) such increase in
12 the number of pupils who will be eligible to attend school in the
13 district does or will require a levy of taxes for general school
14 purposes in excess of the average levy for general school purposes of
15 school districts of the same class in the county, the State Committee
16 for the Reorganization of School Districts shall change the
17 boundaries of the existing district to exclude all land purchased and
18 appropriated by the United States and all land which by reason of its
19 use or ownership is exempt from state taxation under the United
20 States Constitution and the statutes of the United States. When the
21 United States, by the appropriate officer, does not accept or has not
22 accepted exclusive jurisdiction over land so excluded, the state
23 committee shall form a new school district embracing land thus
24 excluded.

25 Sec. 41. Section 79-468, Reissue Revised Statutes of

1 Nebraska, is amended to read:

2 79-468 (1) Whenever a city of the second class, a
3 village, or a ward of a city of the second class or village is
4 consolidated according to law with a city of the primary class, the
5 territory so consolidated shall become annexed to and merged into the
6 school district of such city of the primary class. ~~if such territory
7 is in a school district that is not a member of a learning community
8 and the school district of such city of the primary class is not a
9 member of a learning community.~~ All laws, rules, and regulations
10 governing the school district and schools of such city of the primary
11 class shall apply to the district and schools within the territory
12 annexed to it. The school district into which the others in whole or
13 in part are merged shall succeed to all the property, contracts, and
14 obligations of each and all of the school districts so merged into
15 it, in whole or in part, and shall assume all of their valid
16 contracts and obligations.

17 (2) If one or more wards, but less than all wards, of a
18 city of the second class or of a village become consolidated with
19 such city of the primary class, the school district into which such
20 territory is merged shall assume such portion of all valid contracts
21 and obligations of the school district of which such territory before
22 the consolidation was a part as the taxable valuation of all the
23 property of the territory thus merged with the school district of
24 such city of the primary class bears to the total taxable valuation
25 of all the property within the school district from which such

1 territory has been detached.

2 Sec. 42. Section 79-473, Reissue Revised Statutes of
3 Nebraska, is amended to read:

4 79-473 (1) If the territory annexed by a change of
5 boundaries of a city or village which lies within a Class III school
6 district as provided in section 79-407 has been part of a Class IV or
7 Class V school district prior to such annexation, a merger of the
8 annexed territory with the Class III school district shall become
9 effective only if the merger is approved by a majority of the members
10 of the school board of the Class IV or V school district and a
11 majority of the members of the school board of the Class III school
12 district within ninety days after the effective date of the
13 annexation ordinance., ~~except that a merger shall not become~~
14 ~~effective pursuant to this section if such merger involves a school~~
15 ~~district that is a member of a learning community.~~

16 (2) Notwithstanding subsection (1) of this section, when
17 territory which lies within a Class III school district, Class VI
18 school district, or Class I school district which is attached to a
19 Class VI school district or which does not lie within a Class IV or V
20 school district is annexed by a city or village pursuant to section
21 79-407, the affected school board of the city or village school
22 district and the affected school board or boards serving the
23 territory subject to the annexation ordinance shall meet within
24 thirty days after the effective date of the annexation ordinance ~~if~~
25 ~~neither school district is a member of a learning community and~~

1 negotiate in good faith as to which school district shall serve the
2 annexed territory and the effective date of any transfer. During the
3 process of negotiation, the affected boards shall consider the
4 following criteria:

5 (a) The educational needs of the students in the affected
6 school districts;

7 (b) The economic impact upon the affected school
8 districts;

9 (c) Any common interests between the annexed or platted
10 area and the affected school districts and the community which has
11 zoning jurisdiction over the area; and

12 (d) Community educational planning.

13 If no agreement has been reached within ninety days after
14 the effective date of the annexation ordinance, the territory shall
15 transfer to the school district of the annexing city or village ten
16 days after the expiration of such ninety-day period unless an
17 affected school district petitions the district court within the ten-
18 day period and obtains an order enjoining the transfer and requiring
19 the boards of the affected school districts to continue negotiation.
20 The court shall issue the order upon a finding that the affected
21 board or boards have not negotiated in good faith based on one or
22 more of the criteria listed in this subsection. The district court
23 shall require no bond or other surety as a condition for any
24 preliminary injunctive relief. If no agreement is reached after such
25 order by the district court and additional negotiations, the annexed

1 territory shall become a part of the school district of the annexing
2 city or village.

3 (3) If, within the boundaries of the annexed territory,
4 there exists a Class VI school, the school building, facilities, and
5 land owned by the school district shall remain a part of the Class VI
6 school district. If the Class VI school district from which territory
7 is being annexed wishes to dispose of such school building,
8 facilities, or land to any individual or political subdivision,
9 including a Class I school district, the question of such disposition
10 shall be placed on the ballot for the next primary or general
11 election. All legal voters of such Class VI school district shall
12 then vote on the question at such election. A simple majority of the
13 votes cast shall resolve the issue.

14 (4) Whenever an application for approval of a final plat
15 or replat is filed for territory which lies within the zoning
16 jurisdiction of a city of the first or second class and does not lie
17 within the boundaries of a Class IV or V school district, ~~the~~
18 ~~boundaries of a school district that is a member of a learning~~
19 ~~community,~~ the boundaries of any county in which a city of the
20 metropolitan class is located, or the boundaries of any county that
21 has a contiguous border with a city of the metropolitan class, the
22 affected school board of the school district within the city of the
23 first or second class or its representative and the affected board or
24 boards serving the territory subject to the final plat or replat or
25 their representative shall meet within thirty days after such

1 application and negotiate in good faith as to which school district
2 shall serve the platted or replatted territory and the effective date
3 of any transfer based upon the criteria prescribed in subsection (2)
4 of this section.

5 If no agreement has been reached prior to the approval of
6 the final plat or replat, the territory shall transfer to the school
7 district of the city of the first or second class upon the filing of
8 the final plat unless an affected school district petitions the
9 district court within ten days after approval of the final plat or
10 replat and obtains an order enjoining the transfer and requiring the
11 affected boards to continue negotiation. The court shall issue the
12 order upon a finding that the affected board or boards have not
13 negotiated in good faith based on one or more of the criteria listed
14 in subsection (2) of this section. The district court shall require
15 no bond or other surety as a condition for any preliminary injunctive
16 relief. If no agreement is reached after such order by the district
17 court and additional negotiations, the platted or replatted territory
18 shall become a part of the school district of the city of the first
19 or second class.

20 For purposes of this subsection, plat and replat apply
21 only to (a) vacant land, (b) land under cultivation, or (c) any plat
22 or replat of land involving a substantive change in the size or
23 configuration of any lot or lots.

24 (5) Notwithstanding any other provisions of this section,
25 all negotiated agreements relative to boundaries or to real or

1 personal property of school districts reached by the affected school
2 boards shall be valid and binding. ~~__, except that such agreements~~
3 ~~shall not be binding on reorganization plans pursuant to the Learning~~
4 ~~Community Reorganization Act.~~

5 Sec. 43. Section 79-527, Revised Statutes Cumulative
6 Supplement, 2012, is amended to read:

7 79-527 (1) The superintendent or head administrator of a
8 public school district or a nonpublic school system shall annually
9 report to the Commissioner of Education in such detail and on such
10 date as required by the commissioner the number of students who have
11 dropped out of school. ~~School~~ For all school years before school year
12 2014-15, school districts that are members of learning communities
13 shall also provide the learning community coordinating council with a
14 copy of such report on or before the date the report is due to the
15 commissioner.

16 (2) The superintendent or head administrator of a public
17 school district or a nonpublic school system shall report on a
18 monthly basis to the Commissioner of Education as directed by the
19 commissioner regarding the number of and reason for any long-term
20 suspension, expulsion, or excessive absenteeism of a student;
21 referral of a student to the office of the county attorney for
22 excessive absenteeism; or contacting of law enforcement officials,
23 other than law enforcement officials employed by or contracted with
24 the school district as school resource officers, by the district or
25 system relative to a student enrolled in the district or system. A

1 For all school years before school year 2014-15, a school district
2 that is a member of a learning community shall also provide the
3 learning community coordinating council with a copy of such report on
4 or before the date the report is due to the commissioner.

5 Sec. 44. Section 79-528, Revised Statutes Cumulative
6 Supplement, 2012, is amended to read:

7 79-528 (1)(a) On or before July 20 in all school
8 districts, the superintendent shall file with the State Department of
9 Education a report showing the number of children from five through
10 eighteen years of age belonging to the school district according to
11 the census taken as provided in sections 79-524 and 79-578. ~~On~~For
12 all school years before school year 2014-15, on or before August 31,
13 the department shall issue to each learning community coordinating
14 council a report showing the number of children from five through
15 eighteen years of age belonging to the learning community based on
16 the member school districts according to the school district reports
17 filed with the department.

18 (b) Each Class I school district which is part of a Class
19 VI school district offering instruction (i) in grades kindergarten
20 through five shall report children from five through ten years of
21 age, (ii) in grades kindergarten through six shall report children
22 from five through eleven years of age, and (iii) in grades
23 kindergarten through eight shall report children from five through
24 thirteen years of age.

25 (c) Each Class VI school district offering instruction

1 (i) in grades six through twelve shall report children who are eleven
2 through eighteen years of age, (ii) in grades seven through twelve
3 shall report children who are twelve through eighteen years of age,
4 and (iii) in grades nine through twelve shall report children who are
5 fourteen through eighteen years of age.

6 (d) Each Class I district which has affiliated in whole
7 or in part shall report children from five through thirteen years of
8 age.

9 (e) Each Class II, III, IV, or V district shall report
10 children who are fourteen through eighteen years of age residing in
11 Class I districts or portions thereof which have affiliated with such
12 district.

13 (f) The board of any district neglecting to take and
14 report the enumeration shall be liable to the school district for all
15 school money which such district may lose by such neglect.

16 (2) On or before June 30 the superintendent of each
17 school district shall file with the Commissioner of Education a
18 report described as an end-of-the-school-year annual statistical
19 summary showing (a) the number of children attending school during
20 the year under five years of age, (b) the length of time the school
21 has been taught during the year by a qualified teacher, (c) the
22 length of time taught by each substitute teacher, and (d) such other
23 information as the Commissioner of Education directs. ~~On~~ For all
24 school years before school year 2014-15, on or before July 31, the
25 commissioner shall issue to each learning community coordinating

1 council an end-of-the-school-year annual statistical summary for the
2 learning community based on the member school districts according to
3 the school district reports filed with the commissioner.

4 (3)(a) On or before November 1 the superintendent of each
5 school district shall submit to the Commissioner of Education a
6 report described as the annual financial report showing (i) the
7 amount of money received from all sources during the year and the
8 amount of money expended by the school district during the year, (ii)
9 the amount of bonded indebtedness, (iii) such other information as
10 shall be necessary to fulfill the requirements of the Tax Equity and
11 Educational Opportunities Support Act and section 79-1114, and (iv)
12 such other information as the Commissioner of Education directs.

13 (b) ~~On~~ For all school years before school year 2014-15,
14 on or before December 15, the commissioner shall issue to each
15 learning community coordinating council an annual financial report
16 for the learning community based on the member school districts
17 according to the annual financial reports filed with the
18 commissioner, showing (i) the aggregate amount of money received from
19 all sources during the year for all member school districts and the
20 aggregate amount of money expended by member school districts during
21 the year, (ii) the aggregate amount of bonded indebtedness for all
22 member school districts, (iii) such other aggregate information as
23 shall be necessary to fulfill the requirements of the Tax Equity and
24 Educational Opportunities Support Act and section 79-1114 for all
25 member school districts, and (iv) such other aggregate information as

1 the Commissioner of Education directs for all member school
2 districts.

3 (4)(a) On or before October 15 of each year, the
4 superintendent of each school district shall file with the
5 commissioner the fall school district membership report, which report
6 shall include the number of children from birth through twenty years
7 of age enrolled in the district on the last Friday in September of a
8 given school year. The report shall enumerate (i) students by grade
9 level, (ii) school district levies and total assessed valuation for
10 the current fiscal year, and (iii) such other information as the
11 Commissioner of Education directs.

12 (b) ~~On~~ For all school years before school year 2014-15,
13 on or before October 15 of each year, each learning community
14 coordinating council shall issue to the department a report which
15 enumerates the learning community levies pursuant to subdivisions (2)
16 (b) and (g) of section 77-3442 and total assessed valuation for the
17 current fiscal year.

18 (c) ~~On~~ For all school years before school year 2014-15,
19 on or before November 15 of each year, the department shall issue to
20 each learning community coordinating council the fall learning
21 community membership report, which report shall include the aggregate
22 number of children from birth through twenty years of age enrolled in
23 the member school districts on the last Friday in September of a
24 given school year for all member school districts. The report shall
25 enumerate (i) the aggregate students by grade level for all member

1 school districts, (ii) school district levies and total assessed
2 valuation for the current fiscal year, and (iii) such other
3 information as the Commissioner of Education directs for all member
4 school districts.

5 (d) When any school district fails to submit its fall
6 membership report by November 1, the commissioner shall, after notice
7 to the district and an opportunity to be heard, direct that any state
8 aid granted pursuant to the Tax Equity and Educational Opportunities
9 Support Act be withheld until such time as the report is received by
10 the department. In addition, the commissioner shall direct the county
11 treasurer to withhold all school money belonging to the school
12 district until such time as the commissioner notifies the county
13 treasurer of receipt of such report. The county treasurer shall
14 withhold such money.

15 Sec. 45. Section 79-549, Reissue Revised Statutes of
16 Nebraska, is amended to read:

17 ~~79-549 (1) The school board of any Class III school~~
18 ~~district that is a member of a learning community may place before~~
19 ~~the legal voters of the school district the issue of whether to begin~~
20 ~~to have a caucus for nominations by adopting a resolution to place~~
21 ~~the issue before the legal voters and certifying the issue to the~~
22 ~~election commissioner or county clerk prior to September 1 for~~
23 ~~placement on the ballot at the next statewide general election. The~~
24 ~~legal voters of the school district may also have the issue placed on~~
25 ~~the ballot at the statewide general election by circulating a~~

1 ~~petition and gathering the signatures of the legal voters residing~~
2 ~~within the school district at least equal to seven percent of the~~
3 ~~number of persons registered to vote in the school district at the~~
4 ~~last statewide primary election. The petitions shall be filed with~~
5 ~~the election commissioner or county clerk for signature verification~~
6 ~~on or before August 15 prior to a statewide general election. If the~~
7 ~~election commissioner or county clerk determines that the appropriate~~
8 ~~number of legal voters signed the petition, he or she shall place the~~
9 ~~issue on the ballot for the next statewide general election. The~~
10 ~~issue shall not be placed on the ballot again within four years after~~
11 ~~voting on the issue at a statewide general election.~~

12 ~~(2)~~(1) Any Class III school district that nominated
13 school board members by caucus pursuant to this section as it existed
14 immediately before July 14, 2006, the operative date of this section
15 shall continue such procedure until the legal voters of the district
16 vote not to continue to have a caucus for nominations pursuant to
17 subsection ~~(3)~~(2) of this section. A caucus shall be held pursuant
18 to subsection ~~(5)~~(4) of this section not less than seventy days
19 prior to the holding of the election to nominate two or more
20 candidates for each vacancy to be voted upon at the election to be
21 held in conjunction with the statewide primary election pursuant to
22 subsection (1) of section 32-543. No candidate nominated shall have
23 his or her name placed upon the ballot for the general election
24 unless, not more than ten days after his or her nomination, he or she
25 files with the secretary of the school board a written statement

1 accepting the nomination. The secretary of the school board shall
2 certify the names of the candidates to the election commissioner or
3 county clerk who shall prepare the official ballot listing the names
4 as certified and without any area designation. All legal voters
5 residing within the school district shall be permitted to vote at
6 such election.

7 ~~(3)~~(2) The school board may place before the legal
8 voters of the school district the issue of whether to continue to
9 have a caucus for nominations by adopting a resolution to place the
10 issue before the legal voters and certifying the issue to the
11 election commissioner or county clerk prior to September 1 for
12 placement on the ballot at the next statewide general election. The
13 legal voters of the school district may also have the issue placed on
14 the ballot at the statewide general election by circulating a
15 petition and gathering the signatures of the legal voters residing
16 within the school district at least equal to seven percent of the
17 number of persons registered to vote in the school district at the
18 last statewide primary election. The petitions shall be filed with
19 the election commissioner or county clerk for signature verification
20 on or before August 15 prior to a statewide general election. If the
21 election commissioner or county clerk determines that the appropriate
22 number of legal voters signed the petition, he or she shall place the
23 issue on the ballot for the next statewide general election. The
24 issue shall not be placed on the ballot again within four years after
25 voting on the issue at a statewide general election.

1 ~~(4)~~(3) If the legal voters vote not to continue to have
2 a caucus, candidates shall be nominated and elected as provided in
3 subsection (2) of section 32-543. The terms of the members in office
4 at the time of the vote shall be extended to the first Thursday after
5 the first Tuesday in January after the expiration of their terms. At
6 the first general election following the vote, the member receiving
7 the greatest number of votes shall be elected for a term of four
8 years and the member receiving the next greatest number of votes
9 shall be elected for a term of two years.

10 ~~(5)~~(4) A school district which uses a caucus for
11 nominations shall develop rules and procedures for conducting the
12 caucus which will ensure:

13 (a) Publication of the rules and procedures by multiple
14 sources if necessary so that every resident of the school district
15 has access to information on the process for placing a name in
16 nomination and voting at the caucus;

17 (b) Facilities for voting at the caucus which comply with
18 the federal Americans with Disabilities Act of 1990 and which will
19 accommodate a reasonably anticipated number of legal voters;

20 (c) Election security which will provide for a fair and
21 impartial election, including the secrecy of the ballot, one vote per
22 legal voter, and only legal voters of the school district being
23 allowed to vote;

24 (d) Equal access to all legal voters of the school
25 district, including the presence of an interpreter at the caucus at

1 the expense of the school district and ballots for the blind and
2 visually impaired to provide access to the process by all legal
3 voters of the school district;

4 (e) Adequate time and opportunity for legal voters of the
5 school district to exercise their right to vote; and

6 (f) Notification of nomination to the candidates and to
7 the secretary of the school board.

8 The rules and regulations shall be approved by the
9 election commissioner or county clerk prior to use for a caucus.

10 Sec. 46. Section 79-611, Revised Statutes Cumulative
11 Supplement, 2012, is amended to read:

12 79-611 (1) The school board of any school district shall
13 provide free transportation, partially provide free transportation,
14 or pay an allowance for transportation in lieu of free transportation
15 as follows:

16 (a) When a student attends an elementary school in his or
17 her own district and lives more than four miles from the public
18 schoolhouse in such district as measured by the shortest route that
19 must actually and necessarily be traveled by motor vehicle to reach
20 the student's residence;

21 (b) When a student is required to attend an elementary
22 school outside of his or her own district and lives more than four
23 miles from such elementary school as measured by the shortest route
24 that must actually and necessarily be traveled by motor vehicle to
25 reach the student's residence;

1 (c) When a student attends a secondary school in his or
2 her own Class II or Class III school district and lives more than
3 four miles from the public schoolhouse as measured by the shortest
4 route that must actually and necessarily be traveled by motor vehicle
5 to reach the student's residence. This subdivision does not apply
6 when one or more Class I school districts merge with a Class VI
7 school district to form a new Class II or III school district on or
8 after January 1, 1997; and

9 (d) When a student, other than a student in grades ten
10 through twelve in a Class V district, attends an elementary or junior
11 high school in his or her own Class V district and lives more than
12 four miles from the public schoolhouse in such district as measured
13 by the shortest route that must actually and necessarily be traveled
14 by motor vehicle to reach the student's residence.

15 ~~(2)(a) The school board of any school district that is a~~
16 ~~member of a learning community shall provide free transportation for~~
17 ~~a student who resides in such learning community and attends school~~
18 ~~in such school district if (i) the student is transferring pursuant~~
19 ~~to the open enrollment provisions of section 79-2110, qualifies for~~
20 ~~free or reduced price lunches, and lives more than one mile from the~~
21 ~~school to which he or she transfers, (ii) the student is transferring~~
22 ~~pursuant to such open enrollment provisions, is a student who~~
23 ~~contributes to the socioeconomic diversity of enrollment at the~~
24 ~~school building he or she attends, and lives more than one mile from~~
25 ~~the school to which he or she transfers, (iii) the student is~~

1 ~~attending a focus school or program and lives more than one mile from~~
2 ~~the school building housing the focus school or program, or (iv) the~~
3 ~~student is attending a magnet school or program and lives more than~~
4 ~~one mile from the magnet school or the school housing the magnet~~
5 ~~program.~~

6 ~~(b) For purposes of this subsection, student who~~
7 ~~contributes to the socioeconomic diversity of enrollment at the~~
8 ~~school building he or she attends has the definition found in section~~
9 ~~79-2110. This subsection does not prohibit a school district that is~~
10 ~~a member of a learning community from providing transportation to any~~
11 ~~intradistrict student.~~

12 ~~(3)-(2)~~ The transportation allowance which may be paid to
13 the parent, custodial parent, or guardian of students qualifying for
14 free transportation pursuant to subsection (1) ~~or (2)~~ of this section
15 shall equal two hundred eighty-five percent of the mileage rate
16 provided in section 81-1176, multiplied by each mile actually and
17 necessarily traveled, on each day of attendance, beyond which the
18 one-way distance from the residence of the student to the schoolhouse
19 exceeds three miles.

20 ~~(4)-(3)~~ Whenever students from more than one family
21 travel to school in the same vehicle, the transportation allowance
22 prescribed in subsection ~~(3)-(2)~~ of this section shall be payable as
23 follows:

24 (a) To the parent, custodial parent, or guardian
25 providing transportation for students from other families, one

1 hundred percent of the amount prescribed in subsection ~~(3)~~(2) of
2 this section for the transportation of students of such parent's,
3 custodial parent's, or guardian's own family and an additional five
4 percent for students of each other family not to exceed a maximum of
5 one hundred twenty-five percent of the amount determined pursuant to
6 subsection ~~(3)~~(2) of this section; and

7 (b) To the parent, custodial parent, or guardian not
8 providing transportation for students of other families, two hundred
9 eighty-five percent of the mileage rate provided in section 81-1176
10 multiplied by each mile actually and necessarily traveled, on each
11 day of attendance, from the residence of the student to the pick-up
12 point at which students transfer to the vehicle of a parent,
13 custodial parent, or guardian described in subdivision (a) of this
14 subsection.

15 ~~(5)~~(4) When a student who qualifies under the mileage
16 requirements of subsection (1) of this section lives more than three
17 miles from the location where the student must be picked up and
18 dropped off in order to access school-provided free transportation,
19 as measured by the shortest route that must actually and necessarily
20 be traveled by motor vehicle between his or her residence and such
21 location, such school-provided transportation shall be deemed
22 partially provided free transportation. School districts partially
23 providing free transportation shall pay an allowance to the student's
24 parent or guardian equal to two hundred eighty-five percent of the
25 mileage rate provided in section 81-1176 multiplied by each mile

1 actually and necessarily traveled, on each day of attendance, beyond
2 which the one-way distance from the residence of the student to the
3 location where the student must be picked up and dropped off exceeds
4 three miles.

5 ~~(6)~~—(5) The board may authorize school-provided
6 transportation to any student who does not qualify under the mileage
7 requirements of subsection (1) of this section and may charge a fee
8 to the parent or guardian of the student for such service. An
9 affiliated high school district may provide free transportation or
10 pay the allowance described in this section for high school students
11 residing in an affiliated Class I district. No transportation
12 payments shall be made to a family for mileage not actually traveled
13 by such family. The number of days the student has attended school
14 shall be reported monthly by the teacher to the board of such public
15 school district.

16 ~~(7)~~—(6) No more than one allowance shall be made to a
17 family irrespective of the number of students in a family being
18 transported to school. If a family resides in a Class I district
19 which is part of a Class VI district and has students enrolled in any
20 of the grades offered by the Class I district and in any of the non-
21 high-school grades offered by the Class VI district, such family
22 shall receive not more than one allowance for the distance actually
23 traveled when both districts are on the same direct travel route with
24 one district being located a greater distance from the residence than
25 the other. In such cases, the travel allowance shall be prorated

1 among the school districts involved.

2 ~~(8)-(7)~~ No student shall be exempt from school attendance
3 on account of distance from the public schoolhouse.

4 Sec. 47. Section 79-760.02, Reissue Revised Statutes of
5 Nebraska, is amended to read:

6 79-760.02 In accordance with timelines that are adopted
7 by the State Board of Education, but in no event later than one year
8 following the adoption or modification of state standards, each
9 school district shall adopt measurable quality academic content
10 standards in the subject areas of reading, writing, mathematics,
11 science, and social studies. The standards may be the same as, or may
12 be equal to or exceed in rigor, the measurable academic content
13 standards adopted by the state board and shall cover at least the
14 same grade levels. School districts may work collaboratively with
15 educational service units, ~~with learning communities,~~ or through
16 interlocal agreements to develop such standards. Educational service
17 units ~~and learning communities~~ shall develop a composite set of
18 standards shared by member school districts.

19 Sec. 48. Section 79-760.03, Revised Statutes Cumulative
20 Supplement, 2012, is amended to read:

21 79-760.03 (1) For school year 2009-10 and each school
22 year thereafter, the State Board of Education shall implement a
23 statewide system for the assessment of student learning and for
24 reporting the performance of school districts ~~and learning~~
25 ~~communities~~ pursuant to this section. The assessment and reporting

1 system shall measure student knowledge of subject matter materials
2 covered by measurable academic content standards selected by the
3 state board.

4 (2) The state board shall adopt a plan for an assessment
5 and reporting system and implement and maintain the assessment and
6 reporting system according to such plan. The plan shall be submitted
7 annually to the State Department of Education, the Governor, the
8 chairperson of the Education Committee of the Legislature, and the
9 Clerk of the Legislature. The plan submitted to the committee and the
10 Clerk of the Legislature shall be submitted electronically. The state
11 board shall select grade levels for assessment and reporting required
12 pursuant to subsections (4) through (7) of this section. The purposes
13 of the system are to:

14 (a) Determine how well public schools are performing in
15 terms of achievement of public school students related to the state
16 academic content standards;

17 (b) Report the performance of public schools based upon
18 the results of state assessment instruments and national assessment
19 instruments;

20 (c) Provide information for the public and policymakers
21 on the performance of public schools; and

22 (d) Provide for the comparison among Nebraska public
23 schools and the comparison of Nebraska public schools to public
24 schools elsewhere.

25 (3) The Governor shall appoint a technical advisory

1 committee to review the statewide assessment plan and state
2 assessment instruments developed under the Quality Education
3 Accountability Act. The technical advisory committee shall consist of
4 three nationally recognized experts in educational assessment and
5 measurement, one administrator from a school in Nebraska, and one
6 teacher from a school in Nebraska. The members shall serve terms of
7 three years, except that two of the members shall be appointed for
8 initial terms of two years. Any vacancy shall be filled by the
9 Governor for the remainder of the term. One of the members shall be
10 designated as chairperson by the Governor. Members shall be
11 reimbursed for their actual and necessary expenses as provided in
12 sections 81-1174 to 81-1177. The committee shall advise the Governor,
13 the state board, and the State Department of Education on the
14 development of statewide assessment instruments and the statewide
15 assessment plan. The appointments to the committee shall be confirmed
16 by the Legislature.

17 (4) The state board shall prescribe a statewide
18 assessment of writing that relies on writing samples in each of three
19 grades selected by the state board. Each year at least one of the
20 three selected grades shall participate in the statewide writing
21 assessment with each selected grade level participating at least once
22 every three years.

23 (5) For school year 2009-10 and for each school year
24 thereafter, the state board shall prescribe a statewide assessment of
25 reading. The statewide assessment of reading shall include assessment

1 instruments for each of the grade levels three through eight and for
2 one grade in high school and standards adopted by the state board
3 pursuant to section 79-760.01.

4 (6) For no later than school year 2010-11 and for each
5 school year thereafter, the state board shall prescribe a statewide
6 assessment of mathematics. The statewide assessment of mathematics
7 shall include assessment instruments for each of the grade levels
8 three through eight and for one grade in high school and standards
9 adopted by the state board pursuant to section 79-760.01. If no
10 statewide assessment of mathematics is administered in school year
11 2009-10, school districts shall report mathematics assessment results
12 in the same manner as such information was reported in school year
13 2008-09.

14 (7) For no later than school year 2011-12 and each school
15 year thereafter, the state board shall prescribe a statewide
16 assessment of science. The statewide assessment of science shall
17 include assessment instruments for each of the grade levels selected
18 by the state board and standards adopted by the state board pursuant
19 to section 79-760.01. The grade levels shall include at least one
20 grade in elementary school, one grade in middle school or junior high
21 school, and one grade in high school.

22 (8) The department shall conduct studies to verify the
23 technical quality of assessment instruments and demonstrate the
24 comparability of assessment instrument results required by the act.
25 The department shall annually report such findings to the Governor,

1 the Legislature, and the state board. The report submitted to the
2 Legislature shall be submitted electronically.

3 (9) The state board shall recommend national assessment
4 instruments for the purpose of national comparison. Each school
5 district shall report individual student data for scores and sub-
6 scores according to procedures established by the state board and the
7 department pursuant to section 79-760.05.

8 (10) The aggregate results of assessment instruments and
9 national assessment instruments shall be reported by the district on
10 a building basis to the public in that district, ~~to the learning~~
11 ~~community coordinating council if such district is a member of a~~
12 ~~learning community,~~ and to the department. ~~Each learning community~~
13 ~~shall also report the aggregate results of any assessment instruments~~
14 ~~and national assessment instruments to the public in that learning~~
15 ~~community and to the department.~~ The department shall report the
16 aggregate results of any assessment instruments and national
17 assessment instruments on a ~~learning community,~~ district, and
18 building basis as part of the statewide assessment and reporting
19 system.

20 (11)(a) The assessment and reporting plan shall:

21 (i) Provide for the confidentiality of the results of
22 individual students; and

23 (ii) Include all public schools and all public school
24 students.

25 (b) The state board shall adopt criteria for the

1 inclusion of students with disabilities, students entering the school
2 for the first time, and students with limited English proficiency.

3 The department may determine appropriate accommodations
4 for the assessment of students with disabilities or any student
5 receiving special education programs and services pursuant to section
6 79-1139. Alternate academic achievement standards in reading,
7 mathematics, and science and alternate assessment instruments aligned
8 with the standards may be among the accommodations for students with
9 severe cognitive disabilities.

10 (12) The state board may select additional grade levels
11 and additional subject areas for statewide assessment instruments to
12 comply with federal requirements.

13 (13) The state board shall not require school districts
14 to administer assessments or assessment instruments other than as
15 prescribed by the act.

16 (14) The state board shall appoint committees of
17 teachers, from each appropriate subject area, and administrators to
18 assist in the development of statewide assessment instruments
19 required by the act.

20 Sec. 49. Section 79-760.05, Revised Statutes Cumulative
21 Supplement, 2012, is amended to read:

22 79-760.05 (1) The State Board of Education shall
23 implement a statewide system for tracking individual student
24 achievement, using the student identifier system of the State
25 Department of Education, that can be aggregated to track student

1 progress by demographic characteristics, including, but not limited
2 to, race, poverty, high mobility, attendance, and limited English
3 proficiency, on available measures of student achievement which
4 include, but need not be limited to, national assessment instruments,
5 state assessment instruments, and the indicators used in the
6 accountability system required pursuant to section 79-760.06. Such a
7 system shall be designed so as to aggregate student data by available
8 educational input characteristics, which may include class size,
9 teacher education, teacher experience, special education, early
10 childhood programs, federal programs, and other targeted education
11 programs. School districts shall provide the department with
12 individual student achievement data from assessment instruments
13 required pursuant to section 79-760.03 in order to implement the
14 statewide system.

15 (2) The department shall annually analyze and report on
16 student achievement for the state, each school district, and each
17 public school, ~~and each learning community~~ aggregated by the
18 demographic characteristics described in subsection (1) of this
19 section. The department shall report the findings to the Governor,
20 the Legislature, school districts, and educational service units. ~~and each learning community.~~
21 ~~The report submitted to the Legislature~~
22 shall be submitted electronically. Such analysis shall include
23 aggregated data that would indicate differences in achievement due to
24 available educational input characteristics described in subsection
25 (1) of this section. Such analysis shall include indicators of

1 progress toward state achievement goals for students in poverty,
2 limited English proficient students, and highly mobile students.

3 Sec. 50. Section 79-769, Revised Statutes Cumulative
4 Supplement, 2012, is amended to read:

5 79-769 (1) ~~Any one or more member school districts of a~~
6 ~~learning community school district or any two or more school~~
7 ~~districts forming a joint entity pursuant to subsection (3) of this~~
8 ~~section~~ may establish one or more focus programs, focus schools, or
9 magnet schools. ~~If included as part of the diversity plan of a~~
10 ~~learning community, the~~ A focus school or focus program shall be
11 eligible for a focus school and program allowance pursuant to section
12 79-1007.05.

13 (2) Focus schools, focus programs, and magnet schools may
14 be included in pathways across member school districts. A student who
15 will complete the grades offered at a focus program, focus school, or
16 magnet school that is part of a pathway shall be allowed to attend
17 the focus program, focus school, or magnet school offering the next
18 grade level as part of the pathway as a continuing student. A student
19 who completes the grades offered at a focus program, focus school, or
20 magnet school shall be allowed to attend a school offering the next
21 grade level in the school district responsible for the focus program,
22 focus school, or magnet school as a continuing student. A student who
23 attended a program or school in the school year immediately preceding
24 the first school year for which the program or school will operate as
25 a focus program or focus school meeting the requirements of this

1 section and who has not completed the grades offered at the focus
2 program or focus school shall be a continuing student in the focus
3 program or focus school. pursuant to the diversity plan developed by
4 the learning community coordinating council pursuant to section
5 79-2104.

6 (3) If multiple ~~member~~ school districts collaborate on a
7 focus program, focus school, or magnet school, the school districts
8 shall form a joint entity pursuant to the Interlocal Cooperation Act
9 for the purpose of creating, implementing, and operating such focus
10 program, focus school, or magnet school. The agreement creating such
11 joint entity shall address legal, financial, and academic
12 responsibilities and the assignment to participating school districts
13 of students enrolled in such focus program, focus school, or magnet
14 school who reside in nonparticipating school districts.

15 (4) For purposes of this section:

16 (a) Focus program means a program that does not have an
17 attendance area, whose enrollment is designed so that the
18 socioeconomic diversity of the students attending the focus program
19 reflects as nearly as possible the socioeconomic diversity of the
20 student body of the ~~learning community, school district or districts~~
21 establishing the focus program, which has a unique curriculum with
22 specific learning goals or teaching techniques different from the
23 standard curriculum, which may be housed in a building with other
24 public school programs, and which may consist of either the complete
25 education program for participating students or part of the education

1 program for participating students;

2 (b) Focus school means a school that does not have an
3 attendance area, whose enrollment is designed so that the
4 socioeconomic diversity of the students attending the focus school
5 reflects as nearly as possible the socioeconomic diversity of the
6 student body of the ~~learning community, school district or districts~~
7 establishing the focus school, which has a unique curriculum with
8 specific learning goals or teaching techniques different from the
9 standard curriculum, and which is housed in a building that does not
10 contain another public school program;

11 (c) Magnet school means a school having a home attendance
12 area but which reserves a portion of its capacity specifically for
13 students from outside the attendance area who will contribute to the
14 socioeconomic diversity of the student body of such school and which
15 has a unique curriculum with specific learning goals or teaching
16 techniques different from the standard curriculum; and

17 (d) Pathway means elementary, middle, and high school
18 focus programs, focus schools, and magnet schools with coordinated
19 curricula based on specific learning goals or teaching techniques.

20 Sec. 51. Section 79-777, Revised Statutes Cumulative
21 Supplement, 2012, is amended to read:

22 79-777 (1) Any school district, with the approval of the
23 State Department of Education, may establish and operate a career
24 academy. The purpose of a career academy is to provide students with
25 a career-based educational curriculum. A school district may partner

1 with another school district, an educational service unit, ~~a learning~~
2 ~~community,~~ a postsecondary educational institution, or a private
3 entity in the establishment and operation of a career academy.

4 (2) A career academy established pursuant to subsection
5 (1) of this section shall:

6 (a) Recruit students who seek a career-based curriculum,
7 which curriculum shall be based on criteria determined by the
8 department;

9 (b) Recruit and hire instructors based on their expertise
10 in career-based education; and

11 (c) Provide a rigorous academic curriculum with a
12 transition component to prepare students for the workforce,
13 including, but not limited to, internships, job training, and skills
14 training.

15 (3) In addition to funding from the establishing school
16 district or any of the district's partners, a career academy may also
17 receive private donations for operating expenses.

18 (4) The department shall define standards and criteria
19 for (a) the establishment, evaluation, and continuing approval of
20 career academies, (b) career-based curriculum utilized by career
21 academies, (c) the necessary data elements and collection of data
22 pertaining to career academies, including, but not limited to, the
23 number of students enrolled in a career academy and their grade
24 levels, and (d) the establishment of advisory boards consisting of
25 business and education representatives to provide guidance and

1 direction for the operation of career academies.

2 (5) The State Board of Education may adopt and promulgate
3 rules and regulations to carry out this section.

4 Sec. 52. Section 79-850, Reissue Revised Statutes of
5 Nebraska, is amended to read:

6 79-850 For purposes of sections 79-850 to 79-858:

7 (1) Reorganized school district means: (a) Any expanded
8 or altered school district, organized or altered by any of the means
9 provided by Nebraska law including, but not limited to, the methods
10 provided by the Reorganization of School Districts Act, ~~the Learning~~
11 ~~Community Reorganization Act~~, section 79-407, 79-413, or 79-473, or
12 sections 79-415 to 79-417 or 79-452 to 79-455; or (b) any school
13 district to be formed in the future if the petition or plan for such
14 reorganized school district has been approved pursuant to any of the
15 methods set forth in subdivision (1)(a) of this section when the
16 effective date of such reorganization is prospective. For purposes of
17 this subdivision, a petition or plan shall be deemed approved when
18 the last legal action has been taken, as prescribed in section
19 79-413, 79-450, or 79-455, necessary to effect the changes in
20 boundaries as set forth in the petition or plan; and

21 (2) Unified system means a unified system as defined in
22 section 79-4,108 recognized by the State Department of Education
23 pursuant to subsection (3) of such section, which employs
24 certificated staff.

25 Sec. 53. Section 79-979, Reissue Revised Statutes of

1 Nebraska, is amended to read:

2 79-979 (1) Prior to September 13, 1997, in each Class V
3 school district in the State of Nebraska there is hereby established
4 a separate retirement system for all regular employees of such school
5 district. Such system shall be for the purpose of providing
6 retirement benefits for all regular employees of the school district
7 as provided in the Class V School Employees Retirement Act. The
8 system shall be known as School Employees' Retirement System of
9 (corporate name of the school district as described in section
10 79-405). All of its business shall be transacted, all of its funds
11 shall be invested, and all of its cash and securities and other
12 property shall be held in trust by such name for the purposes set
13 forth in the act. Such funds shall be kept separate from all other
14 funds of the school district and shall be used for no other purpose.

15 (2) ~~Except as provided in subsection (3) of this section,~~
16 ~~if~~ If any new Class V school districts are formed after September 13,
17 1997, such new Class V school district shall elect to become or
18 remain a part of the retirement system established pursuant to the
19 School Employees Retirement Act.

20 (3) ~~Any new Class V school districts formed pursuant to~~
21 ~~the Learning Community Reorganization Act shall continue to~~
22 ~~participate in the retirement system established pursuant to the~~
23 ~~Class V School Employees Retirement Act if such new Class V school~~
24 ~~district was formed at least in part by territory that had been in a~~
25 ~~Class V school district that participated in the retirement system~~

1 ~~established pursuant to the Class V School Employees Retirement Act.~~

2 Sec. 54. Section 79-1003, Revised Statutes Cumulative
3 Supplement, 2012, is amended to read:

4 79-1003 For purposes of the Tax Equity and Educational
5 Opportunities Support Act:

6 (1) Adjusted general fund operating expenditures means
7 (a) for school fiscal years 2010-11 through 2012-13, the difference
8 of the general fund operating expenditures as calculated pursuant to
9 subdivision (22) of this section increased by, or for aid calculated
10 for school fiscal year 2010-11 multiplied by, the cost growth factor
11 calculated pursuant to section 79-1007.10, minus the transportation
12 allowance, special receipts allowance, poverty allowance, limited
13 English proficiency allowance, distance education and
14 telecommunications allowance, elementary site allowance, elementary
15 class size allowance, summer school allowance, instructional time
16 allowance, teacher education allowance, and focus school and program
17 allowance, and (b) for school fiscal year 2013-14 and each school
18 fiscal year thereafter, the difference of the general fund operating
19 expenditures as calculated pursuant to subdivision (22) of this
20 section increased by the cost growth factor calculated pursuant to
21 section 79-1007.10, minus the transportation allowance, special
22 receipts allowance, poverty allowance, limited English proficiency
23 allowance, distance education and telecommunications allowance,
24 elementary site allowance, summer school allowance, instructional
25 time allowance, teacher education allowance, and focus school and

1 program allowance;

2 (2) Adjusted valuation means the assessed valuation of
3 taxable property of each local system in the state, adjusted pursuant
4 to the adjustment factors described in section 79-1016. Adjusted
5 valuation means the adjusted valuation for the property tax year
6 ending during the school fiscal year immediately preceding the school
7 fiscal year in which the aid based upon that value is to be paid. For
8 purposes of determining the local effort rate yield pursuant to
9 section 79-1015.01, adjusted valuation does not include the value of
10 any property which a court, by a final judgment from which no appeal
11 is taken, has declared to be nontaxable or exempt from taxation;

12 (3) Allocated income tax funds means the amount of
13 assistance paid to a local system pursuant to section 79-1005.01 as
14 adjusted by the minimum levy adjustment pursuant to section
15 79-1008.02;

16 (4) Average daily membership means the average daily
17 membership for grades kindergarten through twelve attributable to the
18 local system, as provided in each district's annual statistical
19 summary, and includes the proportionate share of students enrolled in
20 a public school instructional program on less than a full-time basis;

21 (5) Base fiscal year means the first school fiscal year
22 following the school fiscal year in which the reorganization or
23 unification occurred;

24 (6) Board means the school board of each school district;

25 (7) Categorical funds means funds limited to a specific

1 purpose by federal or state law, including, but not limited to, Title
2 I funds, Title VI funds, federal vocational education funds, federal
3 school lunch funds, Indian education funds, Head Start funds, and
4 funds from the Education Innovation Fund. Categorical funds does not
5 include funds received pursuant to section 79-1028.02 or 79-1028.04;

6 (8) Consolidate means to voluntarily reduce the number of
7 school districts providing education to a grade group and does not
8 include dissolution pursuant to section 79-498;

9 (9) Converted contract means an expired contract that was
10 in effect for at least fifteen school years beginning prior to school
11 year 2012-13 for the education of students in a nonresident district
12 in exchange for tuition from the resident district when the
13 expiration of such contract results in the nonresident district
14 educating students, who would have been covered by the contract if
15 the contract were still in effect, as option students pursuant to the
16 enrollment option program established in section 79-234;

17 (10) Converted contract option student means a student
18 who will be an option student pursuant to the enrollment option
19 program established in section 79-234 for the school fiscal year for
20 which aid is being calculated and who would have been covered by a
21 converted contract if the contract were still in effect and such
22 school fiscal year is the first school fiscal year for which such
23 contract is not in effect;

24 (11) Department means the State Department of Education;

25 (12) District means any Class I, II, III, IV, V, or VI

1 school district and, beginning with the calculation of state aid for
2 school fiscal year 2011-12 and each school fiscal year thereafter, a
3 unified system as defined in section 79-4,108;

4 (13) Ensuing school fiscal year means the school fiscal
5 year following the current school fiscal year;

6 (14) Equalization aid means the amount of assistance
7 calculated to be paid to a local system pursuant to sections
8 79-1007.11 to 79-1007.23, 79-1007.25, 79-1008.01 to 79-1022,
9 79-1022.02, 79-1028.02, and 79-1028.04;

10 (15) Fall membership means the total membership in
11 kindergarten through grade twelve attributable to the local system as
12 reported on the fall school district membership reports for each
13 district pursuant to section 79-528;

14 (16) Fiscal year means the state fiscal year which is the
15 period from July 1 to the following June 30;

16 (17) Formula students means:

17 (a) For state aid certified pursuant to section 79-1022,
18 the sum of the product of fall membership from the school fiscal year
19 immediately preceding the school fiscal year in which the aid is to
20 be paid multiplied by the average ratio of average daily membership
21 to fall membership for the second school fiscal year immediately
22 preceding the school fiscal year in which the aid is to be paid and
23 the prior two school fiscal years plus sixty percent of the qualified
24 early childhood education fall membership plus tuitioned students
25 from the school fiscal year immediately preceding the school fiscal

1 year in which aid is to be paid minus the product of the number of
2 students enrolled in kindergarten that is not full-day kindergarten
3 from the fall membership multiplied by 0.5; and

4 (b) For the final calculation of state aid pursuant to
5 section 79-1065, the sum of average daily membership plus sixty
6 percent of the qualified early childhood education average daily
7 membership plus tuitioned students minus the product of the number of
8 students enrolled in kindergarten that is not full-day kindergarten
9 from the average daily membership multiplied by 0.5 from the school
10 fiscal year immediately preceding the school fiscal year in which aid
11 was paid;

12 (18) Free lunch and free milk student means a student who
13 qualified for free lunches or free milk from the most recent data
14 available on November 1 of the school fiscal year immediately
15 preceding the school fiscal year in which aid is to be paid;

16 (19) Full-day kindergarten means kindergarten offered by
17 a district for at least one thousand thirty-two instructional hours;

18 (20) General fund budget of expenditures means the total
19 budget of disbursements and transfers for general fund purposes as
20 certified in the budget statement adopted pursuant to the Nebraska
21 Budget Act, except that for purposes of the limitation imposed in
22 section 79-1023 and the calculation pursuant to subdivision (2) of
23 section 79-1027.01, the general fund budget of expenditures does not
24 include any special grant funds, exclusive of local matching funds,
25 received by a district;

1 (21) General fund expenditures means all expenditures
2 from the general fund;

3 (22) General fund operating expenditures means:

4 (a) For state aid calculated for school fiscal years
5 2010-11 and 2011-12, as reported on the annual financial report for
6 the second school fiscal year immediately preceding the school fiscal
7 year in which aid is to be paid, the total general fund expenditures
8 minus (i) the amount of all receipts to the general fund, to the
9 extent that such receipts are not included in local system formula
10 resources, from early childhood education tuition, summer school
11 tuition, educational entities as defined in section 79-1201.01 for
12 providing distance education courses through the Educational Service
13 Unit Coordinating Council to such educational entities, private
14 foundations, individuals, associations, charitable organizations, the
15 textbook loan program authorized by section 79-734, federal impact
16 aid, and levy override elections pursuant to section 77-3444, (ii)
17 the amount of expenditures for categorical funds, tuition paid,
18 transportation fees paid to other districts, adult education,
19 community services, redemption of the principal portion of general
20 fund debt service, retirement incentive plans authorized by section
21 79-855, and staff development assistance authorized by section
22 79-856, (iii) the amount of any transfers from the general fund to
23 any bond fund and transfers from other funds into the general fund,
24 (iv) any legal expenses in excess of fifteen-hundredths of one
25 percent of the formula need for the school fiscal year in which the

1 expenses occurred, (v) expenditures to pay for sums agreed to be paid
2 by a school district to certificated employees in exchange for a
3 voluntary termination occurring prior to July 1, 2009, and (vi)(A)
4 expenditures in school fiscal years 2009-10 through 2013-14 to pay
5 for employer contributions pursuant to subsection (2) of section
6 79-958 to the School Employees Retirement System of the State of
7 Nebraska to the extent that such expenditures exceed the employer
8 contributions under such subsection that would have been made at a
9 contribution rate of seven and thirty-five hundredths percent or (B)
10 expenditures in school fiscal years 2009-10 through 2013-14 to pay
11 for school district contributions pursuant to subdivision (1)(c)(i)
12 of section 79-9,113 to the retirement system established pursuant to
13 the Class V School Employees Retirement Act to the extent that such
14 expenditures exceed the school district contributions under such
15 subdivision that would have been made at a contribution rate of seven
16 and thirty-seven hundredths percent; and

17 (b) For state aid calculated for school fiscal years
18 2012-13 and each school fiscal year thereafter, as reported on the
19 annual financial report for the second school fiscal year immediately
20 preceding the school fiscal year in which aid is to be paid, the
21 total general fund expenditures minus (i) the amount of all receipts
22 to the general fund, to the extent that such receipts are not
23 included in local system formula resources, from early childhood
24 education tuition, summer school tuition, educational entities as
25 defined in section 79-1201.01 for providing distance education

1 courses through the Educational Service Unit Coordinating Council to
2 such educational entities, private foundations, individuals,
3 associations, charitable organizations, the textbook loan program
4 authorized by section 79-734, federal impact aid, and levy override
5 elections pursuant to section 77-3444, (ii) the amount of
6 expenditures for categorical funds, tuition paid, transportation fees
7 paid to other districts, adult education, community services,
8 redemption of the principal portion of general fund debt service,
9 retirement incentive plans authorized by section 79-855, and staff
10 development assistance authorized by section 79-856, (iii) the amount
11 of any transfers from the general fund to any bond fund and transfers
12 from other funds into the general fund, (iv) any legal expenses in
13 excess of fifteen-hundredths of one percent of the formula need for
14 the school fiscal year in which the expenses occurred, (v)
15 expenditures to pay for sums agreed to be paid by a school district
16 to certificated employees in exchange for a voluntary termination
17 occurring prior to July 1, 2009, or occurring on or after the last
18 day of the 2010-11 school year and prior to the first day of the
19 2013-14 school year, (vi)(A) expenditures in school fiscal years
20 2009-10 through 2016-17 to pay for employer contributions pursuant to
21 subsection (2) of section 79-958 to the School Employees Retirement
22 System of the State of Nebraska to the extent that such expenditures
23 exceed the employer contributions under such subsection that would
24 have been made at a contribution rate of seven and thirty-five
25 hundredths percent or (B) expenditures in school fiscal years 2009-10

1 through 2016-17 to pay for school district contributions pursuant to
2 subdivision (1)(c)(i) of section 79-9,113 to the retirement system
3 established pursuant to the Class V School Employees Retirement Act
4 to the extent that such expenditures exceed the school district
5 contributions under such subdivision that would have been made at a
6 contribution rate of seven and thirty-seven hundredths percent, and
7 (vii) any amounts paid by the district for lobbyist fees and expenses
8 reported to the Clerk of the Legislature pursuant to section 49-1483.

9 For purposes of this subdivision (22) of this section,
10 receipts from levy override elections shall equal ninety-nine percent
11 of the difference of the total general fund levy minus a levy of one
12 dollar and five cents per one hundred dollars of taxable valuation
13 multiplied by the assessed valuation for school districts that have
14 voted pursuant to section 77-3444 to override the maximum levy
15 provided pursuant to section 77-3442;

16 (23) High school district means a school district
17 providing instruction in at least grades nine through twelve;

18 (24) Income tax liability means the amount of the
19 reported income tax liability for resident individuals pursuant to
20 the Nebraska Revenue Act of 1967 less all nonrefundable credits
21 earned and refunds made;

22 (25) Income tax receipts means the amount of income tax
23 collected pursuant to the Nebraska Revenue Act of 1967 less all
24 nonrefundable credits earned and refunds made;

25 (26) Limited English proficiency students means the

1 number of students with limited English proficiency in a district
2 from the most recent data available on November 1 of the school
3 fiscal year preceding the school fiscal year in which aid is to be
4 paid plus the difference of such students with limited English
5 proficiency minus the average number of limited English proficiency
6 students for such district, prior to such addition, for the three
7 immediately preceding school fiscal years if such difference is
8 greater than zero;

9 (27) Local system means ~~a learning community for purposes~~
10 ~~of calculation of state aid for the second full school fiscal year~~
11 ~~after becoming a learning community and each school fiscal year~~
12 ~~thereafter,~~ a unified system, a Class VI district and the associated
13 Class I districts, or a Class II, III, IV, or V district and any
14 affiliated Class I districts or portions of Class I districts. The
15 membership, expenditures, and resources of Class I districts that are
16 affiliated with multiple high school districts will be attributed to
17 local systems based on the percent of the Class I valuation that is
18 affiliated with each high school district. For all school fiscal
19 years before school fiscal year 2014-15, local system also means a
20 learning community;

21 (28) Low-income child means a child under nineteen years
22 of age living in a household having an annual adjusted gross income
23 for the second calendar year preceding the beginning of the school
24 fiscal year for which aid is being calculated equal to or less than
25 the maximum household income that would allow a student from a family

1 of four people to be a free lunch and free milk student during the
2 school fiscal year immediately preceding the school fiscal year for
3 which aid is being calculated;

4 (29) Low-income students means the number of low-income
5 children within the district multiplied by the ratio of the formula
6 students in the district divided by the total children under nineteen
7 years of age residing in the district as derived from income tax
8 information;

9 (30) Most recently available complete data year means the
10 most recent single school fiscal year for which the annual financial
11 report, fall school district membership report, annual statistical
12 summary, Nebraska income tax liability by school district for the
13 calendar year in which the majority of the school fiscal year falls,
14 and adjusted valuation data are available;

15 (31) Poverty students means the number of low-income
16 students or the number of students who are free lunch and free milk
17 students in a district plus the difference of the number of low-
18 income students or the number of students who are free lunch and free
19 milk students in a district, whichever is greater, minus the average
20 number of poverty students for such district, prior to such addition,
21 for the three immediately preceding school fiscal years if such
22 difference is greater than zero;

23 (32) Qualified early childhood education average daily
24 membership means the product of the average daily membership for
25 school fiscal year 2006-07 and each school fiscal year thereafter of

1 students who will be eligible to attend kindergarten the following
2 school year and are enrolled in an early childhood education program
3 approved by the department pursuant to section 79-1103 for such
4 school district for such school year multiplied by the ratio of the
5 actual instructional hours of the program divided by one thousand
6 thirty-two if: (a) The program is receiving a grant pursuant to such
7 section for the third year; (b) the program has already received
8 grants pursuant to such section for three years; or (c) the program
9 has been approved pursuant to subsection (5) of section 79-1103 for
10 such school year and the two preceding school years, including any
11 such students in portions of any of such programs receiving an
12 expansion grant;

13 (33) Qualified early childhood education fall membership
14 means the product of membership on the last Friday in September 2006
15 and each year thereafter of students who will be eligible to attend
16 kindergarten the following school year and are enrolled in an early
17 childhood education program approved by the department pursuant to
18 section 79-1103 for such school district for such school year
19 multiplied by the ratio of the planned instructional hours of the
20 program divided by one thousand thirty-two if: (a) The program is
21 receiving a grant pursuant to such section for the third year; (b)
22 the program has already received grants pursuant to such section for
23 three years; or (c) the program has been approved pursuant to
24 subsection (5) of section 79-1103 for such school year and the two
25 preceding school years, including any such students in portions of

1 any of such programs receiving an expansion grant;

2 (34) Regular route transportation means the
3 transportation of students on regularly scheduled daily routes to and
4 from the attendance center;

5 (35) Reorganized district means any district involved in
6 a consolidation and currently educating students following
7 consolidation;

8 (36) School year or school fiscal year means the fiscal
9 year of a school district as defined in section 79-1091;

10 (37) Sparse local system means a local system that is not
11 a very sparse local system but which meets the following criteria:

12 (a)(i) Less than two students per square mile in the
13 county in which each high school is located, based on the school
14 district census, (ii) less than one formula student per square mile
15 in the local system, and (iii) more than ten miles between each high
16 school attendance center and the next closest high school attendance
17 center on paved roads;

18 (b)(i) Less than one and one-half formula students per
19 square mile in the local system and (ii) more than fifteen miles
20 between each high school attendance center and the next closest high
21 school attendance center on paved roads;

22 (c)(i) Less than one and one-half formula students per
23 square mile in the local system and (ii) more than two hundred
24 seventy-five square miles in the local system; or

25 (d)(i) Less than two formula students per square mile in

1 the local system and (ii) the local system includes an area equal to
2 ninety-five percent or more of the square miles in the largest county
3 in which a high school attendance center is located in the local
4 system;

5 (38) Special education means specially designed
6 kindergarten through grade twelve instruction pursuant to section
7 79-1125, and includes special education transportation;

8 (39) Special grant funds means the budgeted receipts for
9 grants, including, but not limited to, categorical funds,
10 reimbursements for wards of the court, short-term borrowings
11 including, but not limited to, registered warrants and tax
12 anticipation notes, interfund loans, insurance settlements, and
13 reimbursements to county government for previous overpayment. The
14 state board shall approve a listing of grants that qualify as special
15 grant funds;

16 (40) State aid means the amount of assistance paid to a
17 district pursuant to the Tax Equity and Educational Opportunities
18 Support Act;

19 (41) State board means the State Board of Education;

20 (42) State support means all funds provided to districts
21 by the State of Nebraska for the general fund support of elementary
22 and secondary education;

23 (43) Statewide average basic funding per formula student
24 means the statewide total basic funding for all districts divided by
25 the statewide total formula students for all districts;

1 (44) Statewide average general fund operating
2 expenditures per formula student means the statewide total general
3 fund operating expenditures for all districts divided by the
4 statewide total formula students for all districts;

5 (45) Teacher has the definition found in section 79-101;

6 (46) Temporary aid adjustment factor means (a) for school
7 fiscal years before school fiscal year 2007-08, one and one-fourth
8 percent of the sum of the local system's transportation allowance,
9 the local system's special receipts allowance, and the product of the
10 local system's adjusted formula students multiplied by the average
11 formula cost per student in the local system's cost grouping and (b)
12 for school fiscal year 2007-08, one and one-fourth percent of the sum
13 of the local system's transportation allowance, special receipts
14 allowance, and distance education and telecommunications allowance
15 and the product of the local system's adjusted formula students
16 multiplied by the average formula cost per student in the local
17 system's cost grouping;

18 (47) Tuition receipts from converted contracts means
19 tuition receipts received by a district from another district in the
20 most recently available complete data year pursuant to a converted
21 contract prior to the expiration of the contract;

22 (48) Tuitioned students means students in kindergarten
23 through grade twelve of the district whose tuition is paid by the
24 district to some other district or education agency; and

25 (49) Very sparse local system means a local system that

1 has:

2 (a)(i) Less than one-half student per square mile in each
3 county in which each high school attendance center is located based
4 on the school district census, (ii) less than one formula student per
5 square mile in the local system, and (iii) more than fifteen miles
6 between the high school attendance center and the next closest high
7 school attendance center on paved roads; or

8 (b)(i) More than four hundred fifty square miles in the
9 local system, (ii) less than one-half student per square mile in the
10 local system, and (iii) more than fifteen miles between each high
11 school attendance center and the next closest high school attendance
12 center on paved roads.

13 Sec. 55. Section 79-1007.05, Revised Statutes Cumulative
14 Supplement, 2012, is amended to read:

15 79-1007.05 (1)(a) For school fiscal ~~year-years~~ 2008-09
16 ~~and each through~~ school fiscal year thereafter, ~~2013-14,~~ the
17 department shall determine the focus school and program allowance for
18 each school district in a learning community which submits the
19 information required for the calculation on a form prescribed by the
20 department on or before October 15 of the school fiscal year
21 preceding the school fiscal year for which aid is being calculated.
22 Such form may require confirmation from a learning community official
23 that the focus school or program has been approved by the learning
24 community coordinating council for the school fiscal year for which
25 the allowance is being calculated. The focus school and program

1 allowance for each school district in a learning community shall
2 equal the sum of the allowances calculated pursuant to this section
3 for each focus school and focus program operated by the school
4 district for the school fiscal year for which aid is being
5 calculated.

6 (b) For the school fiscal year containing the majority of
7 the first school year that a school or program will be in operation
8 as a focus school or program approved by the learning community and
9 meeting the requirements of section 79-769, the focus school and
10 program allowance for such focus school or program shall equal the
11 statewide average general fund operating expenditures per formula
12 student multiplied by 0.10 then multiplied by the estimated number of
13 students who will be participating in the focus school or program as
14 reported on the form required pursuant to this section.

15 (c) For the school fiscal year containing the majority of
16 the second school year that a school or program will be in operation
17 as a focus school or program approved by the learning community and
18 meeting the requirements of section 79-769, the focus school and
19 program allowance for such focus school or program shall equal the
20 statewide average general fund operating expenditures per formula
21 student multiplied by 0.10 then multiplied by ~~(1)~~(i) for state aid
22 certified pursuant to section 79-1022, the difference of the product
23 of two multiplied by the number of students participating in the
24 focus school or program as reported on the fall membership report
25 from the school fiscal year immediately preceding the school fiscal

1 year in which the aid is to be paid minus the estimated number of
2 students used in the certification of state aid pursuant to section
3 79-1022 for the school fiscal year immediately preceding the school
4 fiscal year in which the aid is to be paid and ~~(2)-(ii)~~ for the final
5 calculation of state aid pursuant to section 79-1065, the difference
6 of the product of two multiplied by the number of students
7 participating in the focus school or program as reported on the
8 annual statistical summary report from the school fiscal year
9 immediately preceding the school fiscal year in which the aid was
10 paid minus the estimated number of students used in the final
11 calculation of state aid pursuant to section 79-1065 for the school
12 fiscal year immediately preceding the school fiscal year in which the
13 aid is to be paid.

14 (d) For the school fiscal year containing the majority of
15 the third school year that a school or program will be in operation
16 as a focus school or program approved by the learning community and
17 meeting the requirements of section 79-769 and each school fiscal
18 year thereafter, the focus school and program allowance for such
19 focus school or program shall equal the statewide average general
20 fund operating expenditures per formula student multiplied by 0.10
21 then multiplied by the number of students participating in the focus
22 school or program as reported on the fall membership report from the
23 school fiscal year immediately preceding the school fiscal year in
24 which the aid is to be paid for state aid certified pursuant to
25 section 79-1022 and as reported on the annual statistical summary

1 report from the school fiscal year immediately preceding the school
2 fiscal year in which the aid was paid for the final calculation of
3 state aid pursuant to section 79-1065.

4 (2)(a) For school fiscal year 2014-15 and each school
5 fiscal year thereafter, the department shall determine the focus
6 school and program allowance for each school district or joint entity
7 formed pursuant to section 79-769 which submits the information
8 required for the calculation on a form prescribed by the department
9 on or before October 15 of the school fiscal year preceding the
10 school fiscal year for which aid is being calculated. The focus
11 school and program allowance for each school district or joint entity
12 shall equal the sum of the allowances calculated pursuant to this
13 section for each focus school and focus program operated by the
14 school district or joint entity for the school fiscal year for which
15 aid is being calculated.

16 (b) For the school fiscal year containing the majority of
17 the first school year that a school or program will be in operation
18 as a focus school or program meeting the requirements of section
19 79-769, the focus school and program allowance for such focus school
20 or program shall equal the statewide average general fund operating
21 expenditures per formula student multiplied by 0.10 then multiplied
22 by the estimated number of students who will be participating in the
23 focus school or program as reported on the form required pursuant to
24 this section.

25 (c) For the school fiscal year containing the majority of

1 the second school year that a school or program will be in operation
2 as a focus school or program meeting the requirements of section
3 79-769, the focus school and program allowance for such focus school
4 or program shall equal the statewide average general fund operating
5 expenditures per formula student multiplied by 0.10 then multiplied
6 by (i) for state aid certified pursuant to section 79-1022, the
7 difference of the product of two multiplied by the number of students
8 participating in the focus school or program as reported on the fall
9 membership report from the school fiscal year immediately preceding
10 the school fiscal year in which the aid is to be paid minus the
11 estimated number of students used in the certification of state aid
12 pursuant to section 79-1022 for the school fiscal year immediately
13 preceding the school fiscal year in which the aid is to be paid and
14 (ii) for the final calculation of state aid pursuant to section
15 79-1065, the difference of the product of two multiplied by the
16 number of students participating in the focus school or program as
17 reported on the annual statistical summary report from the school
18 fiscal year immediately preceding the school fiscal year in which the
19 aid was paid minus the estimated number of students used in the final
20 calculation of state aid pursuant to section 79-1065 for the school
21 fiscal year immediately preceding the school fiscal year in which the
22 aid is to be paid.

23 (d) For the school fiscal year containing the majority of
24 the third school year that a school or program will be in operation
25 as a focus school or program meeting the requirements of section

1 79-769 and for each school fiscal year thereafter, the focus school
2 and program allowance for such focus school or program shall equal
3 the statewide average general fund operating expenditures per formula
4 student multiplied by 0.10 then multiplied by the number of students
5 participating in the focus school or program as reported on the fall
6 membership report from the school fiscal year immediately preceding
7 the school fiscal year in which the aid is to be paid for state aid
8 certified pursuant to section 79-1022 and as reported on the annual
9 statistical summary report from the school fiscal year immediately
10 preceding the school fiscal year in which the aid was paid for the
11 final calculation of state aid pursuant to section 79-1065.

12 Sec. 56. Section 79-1007.11, Revised Statutes Cumulative
13 Supplement, 2012, is amended to read:

14 79-1007.11 (1) Except as otherwise provided in this
15 section, for school fiscal year 2010-11, each school district's
16 formula need shall equal the difference of the sum of the school
17 district's basic funding, poverty allowance, limited English
18 proficiency allowance, elementary class size allowance, focus school
19 and program allowance, summer school allowance, special receipts
20 allowance, transportation allowance, elementary site allowance,
21 instructional time allowance, teacher education allowance, distance
22 education and telecommunications allowance, averaging adjustment, new
23 learning community transportation adjustment, student growth
24 adjustment, and new school adjustment, minus the sum of the limited
25 English proficiency allowance correction, poverty allowance

1 correction, and local choice adjustment.

2 (2) Except as otherwise provided in this section, for
3 school fiscal years 2011-12 and 2012-13, each school district's
4 formula need shall equal the difference of the sum of the school
5 district's basic funding, poverty allowance, limited English
6 proficiency allowance, elementary class size allowance, focus school
7 and program allowance, summer school allowance, special receipts
8 allowance, transportation allowance, elementary site allowance,
9 instructional time allowance, teacher education allowance, distance
10 education and telecommunications allowance, averaging adjustment, new
11 learning community transportation adjustment, student growth
12 adjustment, any positive student growth adjustment correction, and
13 new school adjustment, minus the sum of the limited English
14 proficiency allowance correction, poverty allowance correction, any
15 negative student growth adjustment correction, and local choice
16 adjustment.

17 (3) Except as otherwise provided in this section, for
18 school fiscal year 2013-14, ~~and each school fiscal year thereafter,~~
19 each school district's formula need shall equal the difference of the
20 sum of the school district's basic funding, poverty allowance,
21 limited English proficiency allowance, focus school and program
22 allowance, summer school allowance, special receipts allowance,
23 transportation allowance, elementary site allowance, instructional
24 time allowance, teacher education allowance, distance education and
25 telecommunications allowance, averaging adjustment, new learning

1 community transportation adjustment, student growth adjustment, any
2 positive student growth adjustment correction, and new school
3 adjustment, minus the sum of the limited English proficiency
4 allowance correction, poverty allowance correction, any negative
5 student growth adjustment correction, and local choice adjustment.

6 (4) Except as otherwise provided in this section, for
7 school fiscal year 2014-15 and each school fiscal year thereafter,
8 each school district's formula need shall equal the difference of the
9 sum of the school district's basic funding, poverty allowance,
10 limited English proficiency allowance, focus school and program
11 allowance, summer school allowance, special receipts allowance,
12 transportation allowance, elementary site allowance, instructional
13 time allowance, teacher education allowance, distance education and
14 telecommunications allowance, averaging adjustment, student growth
15 adjustment, any positive student growth adjustment correction, and
16 new school adjustment, minus the sum of the limited English
17 proficiency allowance correction, poverty allowance correction, any
18 negative student growth adjustment correction, and local choice
19 adjustment.

20 ~~(4)~~(5) For state aid calculated for all school fiscal
21 years except school fiscal year 2011-12, if the formula need
22 calculated for a school district pursuant to subsections (1) through
23 ~~(3)~~(4) of this section is less than one hundred percent of the
24 formula need for such district for the school fiscal year immediately
25 preceding the school fiscal year for which aid is being calculated,

1 the formula need for such district shall equal one hundred percent of
2 the formula need for such district for the school fiscal year
3 immediately preceding the school fiscal year for which aid is being
4 calculated. For state aid calculated for school fiscal year 2011-12,
5 if the formula need calculated for a school district pursuant to
6 subsection (2) of this section is less than ninety-five percent of
7 the formula need for such district for the school fiscal year
8 immediately preceding the school fiscal year for which aid is being
9 calculated, the formula need for such district shall equal ninety-
10 five percent of the formula need for such district for the school
11 fiscal year immediately preceding the school fiscal year for which
12 aid is being calculated.

13 ~~(5)-(6)~~ For state aid calculated for school fiscal years
14 except school fiscal year 2011-12, except as provided in subsection
15 ~~(7)-(8)~~ of this section, if the formula need calculated for a school
16 district pursuant to subsections (1) through ~~(3)-(4)~~ of this section
17 is more than one hundred twelve percent of the formula need for such
18 district for the school fiscal year immediately preceding the school
19 fiscal year for which aid is being calculated, the formula need for
20 such district shall equal one hundred twelve percent of the formula
21 need for such district for the school fiscal year immediately
22 preceding the school fiscal year for which aid is being calculated,
23 except that the formula need shall not be reduced pursuant to this
24 subsection for any district receiving a student growth adjustment for
25 the school fiscal year for which aid is being calculated. For state

1 aid calculated for school fiscal year 2011-12, except as provided in
2 subsection ~~(7)~~(8) of this section, if the formula need calculated
3 for a school district pursuant to subsection (2) of this section is
4 more than one hundred seven percent of the formula need for such
5 district for the school fiscal year immediately preceding the school
6 fiscal year for which aid is being calculated, the formula need for
7 such district shall equal one hundred seven percent of the formula
8 need for such district for the school fiscal year immediately
9 preceding the school fiscal year for which aid is being calculated,
10 except that the formula need shall not be reduced pursuant to this
11 subsection for any district receiving a student growth adjustment for
12 the school fiscal year for which aid is being calculated.

13 ~~(6)~~(7) For purposes of subsections ~~(4)~~ and ~~(5)~~ and (6)
14 of this section, the formula need for the school fiscal year
15 immediately preceding the school fiscal year for which aid is being
16 calculated shall be the formula need used in the final calculation of
17 aid pursuant to section 79-1065 and for districts that were affected
18 by a reorganization with an effective date in the calendar year
19 preceding the calendar year in which aid is certified for the school
20 fiscal year for which aid is being calculated, the formula need for
21 the school fiscal year immediately preceding the school fiscal year
22 for which aid is being calculated shall be attributed to the affected
23 school districts based on information provided to the department by
24 the school districts or proportionally based on the adjusted
25 valuation transferred if sufficient information has not been provided

1 to the department.

2 ~~(7) For~~ (8) For all school fiscal years before school
3 fiscal year 2014-15, for state aid calculated for the first full
4 school fiscal year of a new learning community, if the formula need
5 calculated for a member school district pursuant to subsections (1)
6 through ~~(4)~~ (3) and (5) of this section is less than the sum of the
7 school district's state aid certified for the school fiscal year
8 immediately preceding the first full school fiscal year of the
9 learning community plus the school district's other actual receipts
10 included in local system formula resources pursuant to section
11 79-1018.01 for such school fiscal year plus the product of the school
12 district's general fund levy for such school fiscal year up to one
13 dollar and five cents multiplied by the school district's assessed
14 valuation for such school fiscal year, the formula need for such
15 school district for the school fiscal year for which aid is being
16 calculated shall equal such sum.

17 Sec. 57. Section 79-1007.18, Revised Statutes Cumulative
18 Supplement, 2012, is amended to read:

19 79-1007.18 (1) The department shall calculate an
20 averaging adjustment for districts if the basic funding per formula
21 student is less than the averaging adjustment threshold and the
22 general fund levy for the school fiscal year immediately preceding
23 the school fiscal year for which aid is being calculated was at least
24 one dollar per one hundred dollars of taxable valuation. For all
25 school fiscal years before school fiscal year 2014-15, for school

1 districts that are members of a learning community, the general fund
2 levy for purposes of this section includes both the common general
3 fund levy and the school district general fund levy authorized
4 pursuant to subdivisions (2)(b) and (2)(c) of section 77-3442. The
5 averaging adjustment shall equal the district's formula students
6 multiplied by the percentage specified in this section for such
7 district of the difference between the averaging adjustment threshold
8 minus such district's basic funding per formula student.

9 (2)(a) For school fiscal year 2010-11, the averaging
10 adjustment threshold shall equal the lesser of (i) the averaging
11 adjustment threshold for the school fiscal year immediately preceding
12 the school fiscal year for which aid is being calculated increased by
13 the sum of the basic allowable growth rate plus five-tenths of one
14 percent or (ii) the statewide average basic funding per formula
15 student for the school fiscal year for which aid is being calculated.

16 (b) For school fiscal year 2011-12, the averaging
17 adjustment threshold shall equal ninety-five percent of the lesser of
18 (i) the averaging adjustment threshold for school fiscal year 2010-11
19 increased by the basic allowable growth rate or (ii) the statewide
20 average basic funding per formula student for school fiscal year
21 2011-12.

22 (c) For school fiscal year 2012-13 and each school fiscal
23 year thereafter, the averaging adjustment threshold shall equal the
24 lesser of (i) the averaging adjustment threshold for the school
25 fiscal year immediately preceding the school fiscal year for which

1 aid is being calculated increased by the basic allowable growth rate
2 or (ii) the statewide average basic funding per formula student for
3 the school fiscal year for which aid is being calculated.

4 (3) The percentage to be used in the calculation of an
5 averaging adjustment shall be based on the general fund levy for the
6 school fiscal year immediately preceding the school fiscal year for
7 which aid is being calculated.

8 (4) The percentages to be used in the calculation of
9 averaging adjustments shall be as follows:

10 (a) If such levy was at least one dollar per one hundred
11 dollars of taxable valuation but less than one dollar and one cent
12 per one hundred dollars of taxable valuation, the percentage shall be
13 fifty percent;

14 (b) If such levy was at least one dollar and one cent per
15 one hundred dollars of taxable valuation but less than one dollar and
16 two cents per one hundred dollars of taxable valuation, the
17 percentage shall be sixty percent;

18 (c) If such levy was at least one dollar and two cents
19 per one hundred dollars of taxable valuation but less than one dollar
20 and three cents per one hundred dollars of taxable valuation, the
21 percentage shall be seventy percent;

22 (d) If such levy was at least one dollar and three cents
23 per one hundred dollars of taxable valuation but less than one dollar
24 and four cents per one hundred dollars of taxable valuation, the
25 percentage shall be eighty percent; and

1 (e) If such levy was at least one dollar and four cents
2 per one hundred dollars of taxable valuation, the percentage shall be
3 ninety percent.

4 Sec. 58. Section 79-1007.22, Revised Statutes Cumulative
5 Supplement, 2012, is amended to read:

6 79-1007.22 (1) For all school fiscal years before school
7 fiscal year 2014-15, for state aid calculated for each of the second
8 and third full school fiscal years of a new learning community, each
9 member school district may apply to the department for a new learning
10 community transportation adjustment, on a form prescribed by the
11 department, on or before October 15 of the school fiscal year
12 immediately preceding the school fiscal year for which the new
13 learning community transportation adjustment would be included in the
14 calculation of state aid. Such form shall require evidence supporting
15 estimates of increased transportation costs for the district due to
16 the provisions of ~~subsection (2) of~~ section 79-611. On or before the
17 immediately following December 1, the department shall approve the
18 estimate of increased transportation costs for use in the adjustment,
19 approve a modified estimate of increased transportation costs for use
20 in the adjustment, or deny the application based on the requirements
21 of this section, the evidence submitted on the application, and any
22 other information provided by the department. The state board shall
23 establish procedures for appeal of decisions of the department to the
24 state board for final determination.

25 (2) ~~The~~ For all school fiscal years before school fiscal

1 year 2014-15, the new learning community transportation adjustment
2 shall equal the approved estimate of increased transportation costs
3 due to the provisions of ~~subsection (2) of~~ section 79-611. School
4 districts shall submit evidence of the actual increase in
5 transportation costs due to the provisions of ~~subsection (2) of~~
6 section 79-611, and the department shall recalculate the adjustment
7 using such actual costs pursuant to section 79-1065.

8 Sec. 59. Section 79-1008.02, Revised Statutes Cumulative
9 Supplement, 2012, is amended to read:

10 79-1008.02 A-(1)(a) For all school fiscal years before
11 school fiscal year 2014-15, a minimum levy adjustment shall be
12 calculated and applied to any local system that has a general fund
13 common levy for the fiscal year during which aid is certified that is
14 less than the maximum levy, for such fiscal year for such local
15 system, allowed pursuant to subdivision (2)(a) or (b) of section
16 77-3442 without a vote pursuant to section 77-3444 less five cents
17 for learning communities and less ten cents for all other local
18 systems.

19 (b) For school fiscal year 2014-15 and each school fiscal
20 year thereafter, a minimum levy adjustment shall be calculated and
21 applied to any local system that has a general fund common levy for
22 the fiscal year during which aid is certified that is less than the
23 maximum levy, for such fiscal year for such local system, allowed
24 pursuant to subdivision (2)(a) of section 77-3442 without a vote
25 pursuant to section 77-3444 less ten cents.

1 (2) To calculate the minimum levy adjustment, the
2 department shall subtract the local system general fund common levy
3 for such fiscal year for such local system from the maximum levy
4 allowed pursuant to subdivision (2)(a) or (b) of section 77-3442
5 without a vote pursuant to section 77-3444 less ~~five cents for~~
6 ~~learning communities and less ten cents for all other local systems~~
7 the number of cents specified in subdivision (1)(a) or (b) of this
8 section and multiply the result by the local system's adjusted
9 valuation divided by one hundred. The minimum levy adjustment shall
10 be added to the formula resources of the local system for the
11 determination of equalization aid pursuant to section 79-1008.01. If
12 the minimum levy adjustment is greater than or equal to the allocated
13 income tax funds calculated pursuant to section 79-1005.01, the local
14 system shall not receive allocated income tax funds. If the minimum
15 levy adjustment is less than the allocated income tax funds
16 calculated pursuant to section 79-1005.01, the local system shall
17 receive allocated income tax funds in the amount of the difference
18 between the allocated income tax funds calculated pursuant to section
19 79-1005.01 and the minimum levy adjustment.

20 (3) This section does not apply to the calculation of aid
21 for a local system containing a learning community for the first
22 school fiscal year for which aid is calculated for such local system.

23 Sec. 60. Section 79-1013, Revised Statutes Cumulative
24 Supplement, 2012, is amended to read:

25 79-1013 (1) On or before October 15 of each year, each

1 school district designating a maximum poverty allowance greater than
2 zero dollars shall submit a poverty plan for the next school fiscal
3 year to the department, ~~and to the learning community coordinating~~
4 ~~council of any learning community of which the school district is a~~
5 ~~member.~~ On or before the immediately following December 1, ~~(a) the~~
6 department shall approve or disapprove such plan ~~for school districts~~
7 ~~that are not members of a learning community based on the inclusion~~
8 of the elements required pursuant to this section, ~~and (b) the~~
9 ~~learning community coordinating council and, as to the applicable~~
10 ~~portions thereof, each achievement subcouncil, shall approve or~~
11 ~~disapprove such plan for school districts that are members of such~~
12 ~~learning community based on the inclusion of such elements. On or~~
13 ~~before the immediately following December 5, each learning community~~
14 ~~coordinating council shall certify to the department the approval or~~
15 ~~disapproval of the poverty plan for each member school district.~~

16 (2) In order to be approved pursuant to this section, a
17 poverty plan shall include an explanation of how the school district
18 will address the following issues for such school fiscal year:

19 (a) Attendance, including absence followup and
20 transportation for students qualifying for free or reduced-price
21 lunches who reside more than one mile from the attendance center;

22 (b) Student mobility, including transportation to allow a
23 student to continue attendance at the same school if the student
24 moves to another attendance area within the same school district; ~~or~~
25 ~~within the same learning community;~~

1 (c) Parental involvement at the school-building level
2 with a focus on the involvement of parents in poverty and from other
3 diverse backgrounds;

4 (d) Parental involvement at the school-district level
5 with a focus on the involvement of parents in poverty and from other
6 diverse backgrounds;

7 (e) Class size reduction or maintenance of small class
8 sizes in elementary grades;

9 (f) Scheduled teaching time on a weekly basis that will
10 be free from interruptions;

11 (g) Access to early childhood education programs for
12 children in poverty;

13 (h) Student access to social workers;

14 (i) Access to summer school, extended-school-day
15 programs, or extended-school-year programs;

16 (j) Mentoring for new and newly reassigned teachers;

17 (k) Professional development for teachers and
18 administrators, focused on addressing the educational needs of
19 students in poverty and students from other diverse backgrounds; and

20 ~~(l) Coordination with elementary learning centers if the
21 school district is a member of a learning community; and~~

22 ~~(m)-(1)~~ An evaluation to determine the effectiveness of
23 the elements of the poverty plan.

24 (3) The state board shall establish a procedure for
25 appeal of decisions of the department ~~and of learning community~~

1 ~~coordinating councils~~ to the state board for a final determination.

2 Sec. 61. Section 79-1014, Revised Statutes Cumulative
3 Supplement, 2012, is amended to read:

4 79-1014 (1) On or before October 15 of each year, each
5 school district designating a maximum limited English proficiency
6 allowance greater than zero dollars shall submit a limited English
7 proficiency plan for the next school fiscal year to the department,
8 ~~and to the learning community coordinating council of any learning~~
9 ~~community of which the school district is a member.~~ On or before the
10 immediately following December 1, ~~(a) the department shall approve or~~
11 ~~disapprove such plans, for school districts that are not members of a~~
12 ~~learning community,~~ based on the inclusion of the elements required
13 pursuant to this section. ~~and (b) the learning community coordinating~~
14 ~~council, and, as to the applicable portions thereof, each achievement~~
15 ~~subcouncil, shall approve or disapprove such plan for school~~
16 ~~districts that are members of such learning community, based on the~~
17 ~~inclusion of such elements. On or before the immediately following~~
18 ~~December 5, each learning community coordinating council shall~~
19 ~~certify to the department the approval or disapproval of the limited~~
20 ~~English proficiency plan for each member school district.~~

21 (2) In order to be approved pursuant to this section, a
22 limited English proficiency plan must include an explanation of how
23 the school district will address the following issues for such school
24 fiscal year:

25 (a) Identification of students with limited English

1 proficiency;

2 (b) Instructional approaches;

3 (c) Assessment of such students' progress toward
4 mastering the English language; and

5 (d) An evaluation to determine the effectiveness of the
6 elements of the limited English proficiency plan.

7 (3) The state board shall establish a procedure for
8 appeal of decisions of the department ~~and of learning community~~
9 ~~coordinating councils~~ to the state board for a final determination.

10 Sec. 62. Section 79-1022, Revised Statutes Cumulative
11 Supplement, 2012, is amended to read:

12 79-1022 (1) On or before March 10, 2010, and March 1,
13 2011, for school fiscal year 2010-11, on or before July 1, 2011, for
14 school fiscal year 2011-12, on or before May 1, 2012, for school
15 fiscal year 2012-13, and on or before March 1 of each year thereafter
16 for each ensuing fiscal year, the department shall determine the
17 amounts to be distributed to each local system and each district
18 pursuant to the Tax Equity and Educational Opportunities Support Act
19 and shall certify the amounts to the Director of Administrative
20 Services, the Auditor of Public Accounts, ~~each learning community,~~
21 and each district. The amount to be distributed to each district ~~that~~
22 ~~is not a member of a learning community~~ from the amount certified for
23 a local system shall be proportional based on the formula students
24 attributed to each district in the local system. ~~The amount to be~~
25 ~~distributed to each district that is a member of a learning community~~

1 ~~from the amount certified for the local system shall be proportional~~
2 ~~based on the formula needs calculated for each district in the local~~
3 ~~system.~~ On or before March 1, 2011, for school fiscal year 2010-11,
4 on or before July 1, 2011, for school fiscal year 2011-12, on or
5 before May 1, 2012, for school fiscal year 2012-13, and on or before
6 March 1 of each year thereafter for each ensuing fiscal year, the
7 department shall report the necessary funding level to the Governor,
8 the Appropriations Committee of the Legislature, and the Education
9 Committee of the Legislature. The report submitted to the committees
10 of the Legislature shall be submitted electronically. Except as
11 otherwise provided in this subsection, certified state aid amounts,
12 including adjustments pursuant to section 79-1065.02, shall be shown
13 as budgeted non-property-tax receipts and deducted prior to
14 calculating the property tax request in the district's general fund
15 budget statement as provided to the Auditor of Public Accounts
16 pursuant to section 79-1024. Increases in state aid for school fiscal
17 year 2010-11 from the first certification in 2010 to the second
18 certification on or before March 1, 2011, shall not require a school
19 district to revise its previously adopted budget statement pursuant
20 to section 13-511 for school fiscal year 2010-11 unless expenditures
21 are increased in such school fiscal year as a result of such
22 increases in state aid. The amount of such increased state aid that
23 has not been included in an amended budget for school fiscal year
24 2010-11 shall be included in the unencumbered cash balance pursuant
25 to section 13-504 for the school fiscal year 2011-12 budget for each

1 school district.

2 (2) Except as provided in this subsection, subsection (8)
3 of section 79-1016, and sections 79-1033 and 79-1065.02, the amounts
4 certified pursuant to subsection (1) of this section shall be
5 distributed in ten as nearly as possible equal payments on the last
6 business day of each month beginning in September of each ensuing
7 school fiscal year and ending in June of the following year, except
8 that when a school district is to receive a monthly payment of less
9 than one thousand dollars, such payment shall be one lump-sum payment
10 on the last business day of December during the ensuing school fiscal
11 year. For school fiscal year 2010-11, payments shall be based on the
12 amounts certified pursuant to subsection (1) of this section on March
13 10, 2010, except that on the last business day of April, the
14 department shall make federal Education Jobs Fund allocations
15 available pursuant to section 79-1028.04 equal to any increases in
16 state aid for school fiscal year 2010-11 from the first certification
17 in 2010 to the second certification on or before March 1, 2011,
18 rounded to the nearest whole dollar.

19 Sec. 63. Section 79-1024, Revised Statutes Cumulative
20 Supplement, 2012, is amended to read:

21 79-1024 (1) The department may require each district to
22 submit to the department a duplicate copy of such portions of the
23 district's budget statement as the Commissioner of Education directs.
24 The department may verify any data used to meet the requirements of
25 the Tax Equity and Educational Opportunities Support Act. The Auditor

1 of Public Accounts shall review each district's budget statement for
2 statutory compliance, make necessary changes in the budget documents
3 for districts to effectuate the budget limitations imposed pursuant
4 to sections 79-1023 to 79-1030, and notify the Commissioner of
5 Education of any district failing to submit to the auditor the budget
6 documents required pursuant to this subsection by the date
7 established in subsection (1) of section 13-508 or failing to make
8 any corrections of errors in the documents pursuant to section 13-504
9 or 13-511.

10 (2) If a school district fails to submit to the
11 department or the auditor the budget documents required pursuant to
12 subsection (1) of this section by the date established in subsection
13 (1) of section 13-508 or fails to make any corrections of errors in
14 the documents pursuant to section 13-504 or 13-511, the commissioner,
15 upon notification from the auditor or upon his or her own knowledge
16 that the required budget documents and any required corrections of
17 errors from any school district have not been properly filed in
18 accordance with the Nebraska Budget Act and after notice to the
19 district and an opportunity to be heard, shall direct that any state
20 aid granted pursuant to the Tax Equity and Educational Opportunities
21 Support Act be withheld until such time as the required budget
22 documents or corrections of errors are received by the auditor and
23 the department. In addition, the commissioner shall direct the county
24 treasurer to withhold all school money belonging to the school
25 district until such time as the commissioner notifies the county

1 treasurer of receipt of the required budget documents or corrections
2 of errors. The county treasurer shall withhold such money. For all
3 school fiscal years before school fiscal year 2014-15 for school
4 districts that are members of learning communities, a determination
5 of school money belonging to the district shall be based on the
6 proportionate share of property tax receipts allocated to the school
7 district by the learning community coordinating council, and the
8 county treasurer shall withhold any such school money in the
9 possession of the county treasurer from the school district. If the
10 school district does not comply with this section prior to the end of
11 the state's biennium following the biennium which included the fiscal
12 year for which state aid was calculated, the state aid funds shall
13 revert to the General Fund. The amount of any reverted funds shall be
14 included in data provided to the Governor in accordance with section
15 79-1031. The board of any district failing to submit to the
16 department or the auditor the budget documents required pursuant to
17 this section by the date established in subsection (1) of section
18 13-508 or failing to make any corrections of errors in the documents
19 pursuant to section 13-504 or 13-511 shall be liable to the school
20 district for all school money which such district may lose by such
21 failing.

22 Sec. 64. Section 79-1033, Revised Statutes Cumulative
23 Supplement, 2012, is amended to read:

24 79-1033 (1) Except as otherwise provided in the Tax
25 Equity and Educational Opportunities Support Act, state aid payable

1 pursuant to the act for each school fiscal year shall be based upon
2 data found in applicable reports for the most recently available
3 complete data year. The annual financial reports and the annual
4 statistical summary of all school districts shall be submitted to the
5 Commissioner of Education pursuant to the dates prescribed in section
6 79-528. If a school district fails to timely submit its reports, the
7 commissioner, after notice to the district and an opportunity to be
8 heard, shall direct that any state aid granted pursuant to the act be
9 withheld until such time as the reports are received by the
10 department. In addition, the commissioner shall direct the county
11 treasurer to withhold all school money belonging to the school
12 district until such time as the commissioner notifies the county
13 treasurer of receipt of such reports. The county treasurer shall
14 withhold such money. For all school fiscal years before school fiscal
15 year 2014-15, for school districts that are members of learning
16 communities, a determination of school money belonging to the
17 district shall be based on the proportionate share of state aid and
18 property tax receipts allocated to the school district by the
19 learning community coordinating council, and the county treasurer
20 shall withhold any such school money in the possession of the county
21 treasurer from the school district. If the school district does not
22 comply with this section prior to the end of the state's biennium
23 following the biennium which included the school fiscal year for
24 which state aid was calculated, the state aid funds shall revert to
25 the General Fund. The amount of any reverted funds shall be included

1 in data provided to the Governor in accordance with section 79-1031.

2 (2) A district which receives, or has received in the
3 most recently available complete data year or in either of the two
4 school fiscal years preceding the most recently available complete
5 data year, federal funds in excess of twenty-five percent of its
6 general fund budget of expenditures may apply for early payment of
7 state aid paid pursuant to the act when such federal funds are not
8 received in a timely manner. Such application may be made at any time
9 by a district suffering such financial hardship and may be for any
10 amount up to fifty percent of the remaining amount to which the
11 district is entitled during the current school fiscal year. The state
12 board may grant the entire amount applied for or any portion of such
13 amount if the state board finds that a financial hardship exists in
14 the district. The state board shall notify the Director of
15 Administrative Services of the amount of funds to be paid in lump sum
16 and the reduced amount of the monthly payments. The Director of
17 Administrative Services shall, at the time of the next state aid
18 payment made pursuant to section 79-1022, draw a warrant for the
19 lump-sum amount from appropriated funds and forward such warrant to
20 the district. For purposes of this subsection, financial hardship
21 means a situation in which income to a district is exceeded by
22 liabilities to such a degree that if early payment is not received it
23 will be necessary for the district to discontinue vital services or
24 functions.

25 Sec. 65. Section 79-1036, Revised Statutes Cumulative

1 Supplement, 2012, is amended to read:

2 79-1036 (1) In making the apportionment under section
3 79-1035, the Commissioner of Education shall distribute from the
4 school fund for school purposes, to any and all learning communities
5 and school districts which are not members of a learning community,
6 in which there are situated school lands which have not been sold and
7 transferred by deed or saline lands owned by the state, which lands
8 are being used for a public purpose, an amount in lieu of tax money
9 that would be raised by school district levies and for school fiscal
10 years before school fiscal year 2014-15, learning community common
11 levies for which the proceeds are distributed to member school
12 districts pursuant to sections 79-1073 and 79-1073.01, if such lands
13 were taxable, to be ascertained in accordance with subsection (2) of
14 this section, except that:

15 (a) For Class I districts or portions thereof which are
16 affiliated and in which there are situated school or saline lands,
17 38.6207 percent of the in lieu of land tax money calculated pursuant
18 to subsection (2) of this section, based on the affiliated school
19 system tax levy computed pursuant to section 79-1077, shall be
20 distributed to the affiliated high school district and the remainder
21 shall be distributed to the Class I district;

22 (b) For Class I districts or portions thereof which are
23 part of a Class VI district which offers instruction in grades nine
24 through twelve and in which there are situated school or saline
25 lands, 38.6207 percent of the in lieu of land tax money calculated

1 pursuant to subsection (2) of this section, based on the Class VI
2 school system levy computed pursuant to section 79-1078, shall be
3 distributed to the Class VI district and the remainder shall be
4 distributed to the Class I district;

5 (c) For Class I districts or portions thereof which are
6 part of a Class VI district which offers instruction in grades seven
7 through twelve and in which there are situated school or saline
8 lands, 55.1724 percent of the in lieu of land tax money calculated
9 pursuant to subsection (2) of this section, based on the Class VI
10 school system levy computed pursuant to section 79-1078, shall be
11 distributed to the Class VI district and the remainder shall be
12 distributed to the Class I district; and

13 (d) For Class I districts or portions thereof which are
14 part of a Class VI district which offers instruction in grades six
15 through twelve and in which there are situated school or saline
16 lands, 62.0690 percent of the in lieu of land tax money calculated
17 pursuant to subsection (2) of this section, based on the Class VI
18 school system levy computed pursuant to section 79-1078, shall be
19 distributed to the Class VI district and the remainder shall be
20 distributed to the Class I district.

21 (2) The county assessor shall certify to the Commissioner
22 of Education the tax levies of each school district and any learning
23 community in which school land or saline land is located and the last
24 appraised value of such school land, which value shall be the same
25 percentage of the appraised value as the percentage of the assessed

1 value is of market value in subsection (2) of section 77-201 for the
2 purpose of applying the applicable tax levies for each district and
3 any learning community in determining the distribution to the
4 districts of such amounts. The school board of any school district
5 and the learning community coordinating council of any learning
6 community in which there is located any leased or undeeded school
7 land or saline land subject to this section may appeal to the Board
8 of Educational Lands and Funds for a reappraisalment of such school
9 land if such school board or learning community coordinating council
10 deems the land not appraised in proportion to the value of adjoining
11 land of the same or similar value. The Board of Educational Lands and
12 Funds shall proceed to investigate the facts involved in such appeal
13 and, if the contention of the school board or learning community
14 coordinating council is correct, make the proper reappraisalment. The
15 value calculation in this subsection shall be used by the
16 Commissioner of Education for making distributions in each school
17 fiscal year.

18 Sec. 66. Section 79-1041, Revised Statutes Cumulative
19 Supplement, 2012, is amended to read:

20 79-1041 ~~Each~~ For all school years before school year
21 2014-15 each county treasurer of a county with territory in a
22 learning community shall distribute any funds collected by such
23 county treasurer from the common general fund levy and the common
24 building fund levy of such learning community to each member school
25 district pursuant to sections 79-1073 and 79-1073.01 at least once

1 each month.

2 Each county treasurer shall, upon request of a majority
3 of the members of the school board or board of education in any
4 school district, at least once each month distribute to the district
5 any funds collected by such county treasurer for school purposes.

6 Sec. 67. Section 79-1073, Revised Statutes Cumulative
7 Supplement, 2012, is amended to read:

8 79-1073 On or before September 1 for each school year
9 before school year 2014-15, each learning community coordinating
10 council shall determine the expected amounts to be distributed by the
11 county treasurers to each member school district from general fund
12 property tax receipts pursuant to subdivision (2)(b) of section
13 77-3442 and shall certify such amounts to each member school
14 district, the county treasurer for each county containing territory
15 in the learning community, and the State Department of Education.
16 Such property tax receipts shall be divided among member school
17 districts proportionally based on the difference of the school
18 district's formula need calculated pursuant to section 79-1007.11
19 minus the sum of the state aid certified pursuant to section 79-1022
20 and the other actual receipts included in local system formula
21 resources pursuant to section 79-1018.01 for the school fiscal year
22 for which the distribution is being made.

23 Each time the county treasurer distributes property tax
24 receipts from the common general fund levy to member school
25 districts, the amount to be distributed to each district shall be

1 proportional based on the total amounts to be distributed to each
2 member school district for the school fiscal year. Each time the
3 county treasurer certifies a property tax refund pursuant to section
4 77-1736.06 based on the common general fund levy for member school
5 districts or any entity issues an in lieu of property tax
6 reimbursement based on the common general fund levy for member school
7 districts, including amounts paid pursuant to sections 70-651.01 and
8 79-1036, the amount to be certified or reimbursed to each district
9 shall be proportional on the same basis as property tax receipts from
10 such levy are distributed to member school districts.

11 Sec. 68. Section 79-1073.01, Revised Statutes Cumulative
12 Supplement, 2012, is amended to read:

13 79-1073.01 ~~Amounts~~ For all school years before school
14 year 2014-15, amounts levied by learning communities for special
15 building funds for member school districts pursuant to subdivision
16 (2)(g) of section 77-3442 shall be distributed by the county
17 treasurer collecting such levy proceeds to all member school
18 districts proportionally based on the formula students used in the
19 most recent certification of state aid pursuant to section 79-1022.
20 Each time the county treasurer certifies a property tax refund
21 pursuant to section 77-1736.06 based on the levy of a learning
22 community for special building funds for members school districts or
23 any entity issues an in lieu of property tax reimbursement based on
24 the levy of a learning community for special building funds for
25 member school districts, including amounts paid pursuant to sections

1 70-651.01 and 79-1036, the amount to be certified or reimbursed to
2 each district shall be proportional on the same basis as property tax
3 receipts from such levy are distributed to member school districts.

4 Any amounts distributed pursuant to this section shall be
5 used by the member school districts for special building funds.

6 Sec. 69. Section 79-1074, Reissue Revised Statutes of
7 Nebraska, is amended to read:

8 79-1074 (1) The county clerk of any county in which a
9 part of a joint school district ~~or learning community~~ is located
10 shall, on or before the date prescribed in section 13-509, certify
11 the taxable valuation of all taxable property of such part of the
12 joint district ~~or learning community~~ to the clerk of the headquarters
13 county in which the schoolhouse or the administrative office of the
14 school district ~~or learning community~~ is located.

15 (2) The county clerk of any county in which a part of a
16 joint affiliated school system ~~or learning community~~ is located
17 shall, on or before the date prescribed in section 13-509, certify
18 the taxable valuation of all taxable property of such part of the
19 joint affiliated school system ~~or learning community~~ to the clerk of
20 the headquarters county in which the schoolhouse or the
21 administrative office of the high school district ~~or learning~~
22 ~~community~~ is located.

23 Sec. 70. Section 79-1075, Reissue Revised Statutes of
24 Nebraska, is amended to read:

25 79-1075 (1) The county board of the county in which is

1 located the schoolhouse or the administrative office of any joint
2 school district ~~or learning community~~ shall make a levy for the
3 school district, ~~or learning community, as may be necessary,~~ and the
4 county clerk of that headquarters county shall certify the levy, on
5 or before the date prescribed in section 77-1601, to the county clerk
6 of each county in which is situated any portion of the joint school
7 district. ~~or learning community.~~ This section shall apply to all
8 taxes levied on behalf of school districts, including, but not
9 limited to, taxes authorized by sections 10-304, 10-711, 10-716.01,
10 77-1601, 79-747, 79-1077, 79-1084, 79-1085, 79-1086, 79-10,100,
11 79-10,110, 79-10,118, 79-10,120, 79-10,122, and 79-10,126.

12 (2) The county board of the county in which is located
13 the schoolhouse or the administrative office of the high school
14 district of a joint affiliated school system shall make a levy for
15 the joint affiliated school system, as may be necessary, and the
16 county clerk of that headquarters county shall certify the levy, on
17 or before the date prescribed in section 77-1601, to the county clerk
18 of each county in which is situated any portion of the joint
19 affiliated school system. This section shall apply to all taxes
20 levied on behalf of affiliated school systems, including, but not
21 limited to, taxes authorized by sections 10-716.01, 79-1077, and
22 79-10,110.

23 Sec. 71. Section 79-1083, Reissue Revised Statutes of
24 Nebraska, is amended to read:

25 79-1083 At the time the budget statement is certified to

1 the levying board, each school board shall deliver to the county
2 clerk of the headquarters county a copy of its adopted budget
3 statement. ~~If the school district is a member of a learning~~
4 ~~community, the school board shall also deliver to the learning~~
5 ~~community coordinating council a copy of the adopted budget~~
6 ~~statement.~~

7 Sec. 72. Section 79-1084, Revised Statutes Cumulative
8 Supplement, 2012, is amended to read:

9 79-1084 The school board of a Class III school district
10 shall annually, on or before September 20, report in writing to the
11 county board ~~and the learning community coordinating council if the~~
12 ~~school district is a member of a learning community~~ the entire
13 revenue raised by taxation and all other sources and received by the
14 school board for the previous school fiscal year and a budget for the
15 ensuing school fiscal year broken down generally as follows: (1) The
16 amount of funds required for the support of the schools during the
17 ensuing school fiscal year; (2) the amount of funds required for the
18 purchase of school sites; (3) the amount of funds required for the
19 erection of school buildings; (4) the amount of funds required for
20 the payment of interest upon all bonds issued for school purposes;
21 and (5) the amount of funds required for the creation of a sinking
22 fund for the payment of such indebtedness. The secretary shall
23 publish, within ten days after the filing of such budget, a copy of
24 the fund summary pages of the budget one time at the legal rate
25 prescribed for the publication of legal notices in a legal newspaper

1 published in and of general circulation in such city or village or,
2 if none is published in such city or village, in a legal newspaper of
3 general circulation in the city or village. The secretary of the
4 school board failing or neglecting to comply with this section shall
5 be deemed guilty of a Class V misdemeanor and, in the discretion of
6 the court, the judgment of conviction may provide for the removal
7 from office of such secretary for such failure or neglect. ~~For Class~~
8 ~~III school districts that are not members of a learning community,~~
9 ~~the~~ The county board shall levy and collect such taxes as are
10 necessary to provide the amount of revenue from property taxes as
11 indicated by all the data contained in the budget and the certificate
12 prescribed by this section, at the time and in the manner provided in
13 section 77-1601.

14 Sec. 73. Section 79-1086, Revised Statutes Cumulative
15 Supplement, 2012, is amended to read:

16 79-1086 (1) ~~The~~ Except as provided in subsection (2) of
17 this section, the board of education of a Class V school district
18 ~~that is not a member of a learning community~~ shall annually during
19 the month of July estimate the amount of resources likely to be
20 received for school purposes, including the amounts available from
21 fines, licenses, and other sources. Before the county board of
22 equalization makes its levy each year, the board of education shall
23 report to the county clerk the rate of tax deemed necessary to be
24 levied upon the taxable value of all the taxable property of the
25 district subject to taxation during the fiscal year next ensuing for

1 (a) the support of the schools, (b) the purchase of school sites, (c)
2 the erection, alteration, equipping, and furnishing of school
3 buildings and additions to school buildings, (d) the payment of
4 interest upon all bonds issued for school purposes, and (e) the
5 creation of a sinking fund for the payment of such indebtedness. The
6 county board of equalization shall levy the rate of tax so reported
7 and demanded by the board of education and collect the tax in the
8 same manner as other taxes are levied and collected.

9 (2) ~~The~~ For all school fiscal years before school fiscal
10 year 2014-15, the school board of a Class V school district that is a
11 member of a learning community shall annually, on or before September
12 20, report in writing to the county board and the learning community
13 coordinating council the entire revenue raised by taxation and all
14 other sources and received by the school board for the previous
15 school fiscal year and a budget for the ensuing school fiscal year
16 broken down generally as follows: (a) The amount of funds required
17 for the support of the schools during the ensuing school fiscal year;
18 (b) the amount of funds required for the purchase of school sites;
19 (c) the amount of funds required for the erection of school
20 buildings; (d) the amount of funds required for the payment of
21 interest upon all bonds issued for school purposes; and (e) the
22 amount of funds required for the creation of a sinking fund for the
23 payment of such indebtedness. The secretary shall publish, within ten
24 days after the filing of such budget, a copy of the fund summary
25 pages of the budget one time at the legal rate prescribed for the

1 publication of legal notices in a legal newspaper published in and of
2 general circulation in such city or village or, if none is published
3 in such city or village, in a legal newspaper of general circulation
4 in the city or village. The secretary of the school board failing or
5 neglecting to comply with this section shall be deemed guilty of a
6 Class V misdemeanor and, in the discretion of the court, the judgment
7 of conviction may provide for the removal from office of such
8 secretary for such failure or neglect.

9 Sec. 74. Section 79-10,120, Reissue Revised Statutes of
10 Nebraska, is amended to read:

11 79-10,120 The school board or board of education of a
12 Class II, III, IV, V, or VI school district may establish a special
13 fund for purposes of acquiring sites for school buildings or
14 teacherages, purchasing existing buildings for use as school
15 buildings or teacherages, including the sites upon which such
16 buildings are located, and the erection, alteration, equipping, and
17 furnishing of school buildings or teacherages and additions to school
18 buildings for elementary and high school grades and for no other
19 purpose. ~~For school districts that are not members of learning~~
20 ~~communities, the~~ The fund shall be established from the proceeds of
21 an annual levy, to be determined by the board, of not to exceed
22 fourteen cents on each one hundred dollars upon the taxable value of
23 all taxable property in the district which shall be in addition to
24 any other taxes authorized to be levied for school purposes. Such tax
25 shall be levied and collected as are other taxes for school purposes.

1 ~~For school districts that are members of a learning community, such~~
2 ~~fund shall be established from the proceeds of the learning community~~
3 ~~special building funds levy directed to the school district for such~~
4 ~~purpose pursuant to subdivision (2)(g) of section 77-3442 and the~~
5 ~~proceeds of any school district special building fund levy pursuant~~
6 ~~to subdivision (2)(c) of section 77-3442.~~

7 Sec. 75. Section 79-10,126, Reissue Revised Statutes of
8 Nebraska, is amended to read:

9 79-10,126 A Class V school district ~~that is not a member~~
10 ~~of a learning community~~ shall establish (1) for the general operation
11 of the schools, such fund as will result from an annual levy of such
12 rate of tax upon the taxable value of all the taxable property in
13 such school district as the board of education determines to be
14 necessary for such purpose, (2) a fund resulting from an annual
15 amount of tax to be determined by the board of education of not to
16 exceed fourteen cents on each one hundred dollars upon the taxable
17 value of all the taxable property in the district for the purpose of
18 acquiring sites of school buildings and the erection, alteration,
19 equipping, and furnishing of school buildings and additions to school
20 buildings, which tax levy shall be used for no other purposes, and
21 (3) a further fund resulting from an annual amount of tax to be
22 determined by the board of education to pay interest on and retiring,
23 funding, or servicing of bonded indebtedness of the district.

24 Sec. 76. Section 79-1210, Reissue Revised Statutes of
25 Nebraska, is amended to read:

1 79-1210 The State Board of Education shall grant or deny
2 any petition to change educational service unit boundaries based upon
3 the following criteria:

4 (1) The educational needs of students in the affected
5 school districts and the affected educational service units;

6 (2) The economic viability of the proposal as it relates
7 to affected established educational service units or affected
8 proposed educational service units;

9 (3) Any community of interest among affected school
10 districts and affected educational service units;

11 (4) Geographic proximity as such would affect the ability
12 of affected educational service units to deliver service in a cost-
13 effective manner;

14 (5) Compliance with the requirements of the Educational
15 Service Units Act; and

16 (6) In the dissolution of one or more entire educational
17 service units, evidence of consent from each educational service unit
18 board and two-thirds of the school boards or boards of education of
19 member school districts representing a majority of students in each
20 affected educational service unit.

21 ~~For petitions that change educational service unit~~
22 ~~boundaries by transferring a learning community member district from~~
23 ~~one educational service unit to another educational service unit with~~
24 ~~existing territory in such learning community, the requirements of~~
25 ~~subdivisions (1), (2), (3), and (4) of this section shall be deemed~~

1 ~~to have been met if the affected educational service units will each~~
2 ~~have at least two member school districts after such transfer.~~

3 Sec. 77. Section 79-1241.03, Revised Statutes Cumulative
4 Supplement, 2012, is amended to read:

5 79-1241.03 (1) Two percent of the funds appropriated for
6 core services and technology infrastructure shall be transferred to
7 the Educational Service Unit Coordinating Council. The remainder of
8 such funds shall be distributed pursuant to subsections (2) through
9 (6) of this section.

10 (2)(a) The distance education and telecommunications
11 allowance for each educational service unit shall equal eighty-five
12 percent of the difference of the costs for telecommunications
13 services, for access to data transmission networks that transmit data
14 to and from the educational service unit, and for the transmission of
15 data on such networks paid by the educational service unit as
16 reported on the annual financial report for the most recently
17 available complete data year minus the receipts from the federal
18 Universal Service Fund pursuant to 47 U.S.C. 254, as such section
19 existed on January 1, 2007, for the educational service unit as
20 reported on the annual financial report for the most recently
21 available complete data year and minus any receipts from school
22 districts or other educational entities for payment of such costs as
23 reported on the annual financial report of the educational service
24 unit.

25 (b) The base allocation of each educational service unit

1 shall equal two and one-half percent of the funds appropriated for
2 distribution pursuant to this section.

3 (c) The satellite office allocation for each educational
4 service unit shall equal one percent of the funds appropriated for
5 distribution pursuant to this section for each office of the
6 educational service unit, except the educational service unit
7 headquarters, up to the maximum number of satellite offices. The
8 maximum number of satellite offices used for the calculation of the
9 satellite office allocation for any educational service unit shall
10 equal the difference of the ratio of the number of square miles
11 within the boundaries of the educational service unit divided by four
12 thousand minus one with the result rounded to the closest whole
13 number.

14 (d) The statewide adjusted valuation shall equal the
15 total adjusted valuation for all member districts of educational
16 service units pursuant to section 79-1016 used for the calculation of
17 state aid for school districts pursuant to the Tax Equity and
18 Educational Opportunities Support Act for the school fiscal year for
19 which the distribution is being calculated pursuant to this section.

20 (e) The adjusted valuation for each educational service
21 unit shall equal the total adjusted valuation of the member school
22 districts pursuant to section 79-1016 used for the calculation of
23 state aid for school districts pursuant to the act for the school
24 fiscal year for which the distribution is being calculated pursuant
25 to this section, except that such adjusted valuation for member

1 school districts that are also member districts of a learning
2 community shall be reduced by fifty percent for school fiscal years
3 2008-09 and 2009-10, thirty percent for school fiscal year 2010-11,
4 and ten percent for ~~each school fiscal year thereafter.~~ school fiscal
5 years 2011-12, 2012-13, and 2013-14. The adjusted valuation for each
6 learning community shall equal fifty percent, for school fiscal years
7 2008-09 and 2009-10, thirty percent, for school fiscal year 2010-11,
8 and ten percent, for ~~each school fiscal year thereafter,~~ school
9 fiscal years 2011-12, 2012-13, and 2013-14, of the total adjusted
10 valuation of the member school districts pursuant to section 79-1016
11 used for the calculation of state aid for school districts pursuant
12 to the act for the school fiscal year for which the distribution is
13 being calculated pursuant to this section.

14 (f) The local effort rate shall equal \$0.0135 per one
15 hundred dollars of adjusted valuation.

16 (g) The statewide student allocation shall equal the
17 difference of the sum of the amount appropriated for distribution
18 pursuant to this section plus the product of the statewide adjusted
19 valuation multiplied by the local effort rate minus the distance
20 education and telecommunications allowance, base allocation, and
21 satellite office allocation for all educational service units and
22 minus any adjustments required by subsection (5) of this section.

23 (h) The sparsity adjustment for each educational service
24 unit and learning community shall equal the sum of one plus one-tenth
25 of the ratio of the square miles within the boundaries of the

1 educational service unit divided by the fall membership of the member
2 school districts for the school fiscal year immediately preceding the
3 school fiscal year for which the distribution is being calculated
4 pursuant to this section.

5 (i) The adjusted students for each multidistrict
6 educational service unit shall equal the fall membership for the
7 school fiscal year immediately preceding the school fiscal year for
8 which aid is being calculated of the member school districts that
9 will not be members of a learning community and ninety percent of the
10 fall membership for such school fiscal year of the member school
11 districts that will be members of a learning community pursuant to
12 this section multiplied by the sparsity adjustment for the
13 educational service unit. The adjusted students for each single-
14 district educational service unit shall equal ninety-five percent of
15 the fall membership for the school fiscal year immediately preceding
16 the school fiscal year for which aid is being calculated if the
17 member school district will not be a member of a learning community
18 and eighty-five percent of the fall membership for such school fiscal
19 year if the member school district will be a member of a learning
20 community pursuant to this section, multiplied by the sparsity
21 adjustment for the educational service unit. The adjusted students
22 for each learning community shall equal ten percent of the fall
23 membership for such school fiscal year of the member school districts
24 multiplied by the sparsity adjustment for the learning community.

25 (j) The per student allocation shall equal the statewide

1 student allocation divided by the total adjusted students for all
2 educational service units and learning communities.

3 (k) The student allocation for each educational service
4 unit and learning community shall equal the per student allocation
5 multiplied by the adjusted students for the educational service unit
6 or learning community.

7 (l) The needs for each educational service unit shall
8 equal the sum of the distance education and telecommunications
9 allowance, base allocation, satellite office allocation, and student
10 allocation for the educational service unit and the needs for each
11 learning community shall equal the student allocation for the
12 learning community.

13 (m) The distribution of core services and technology
14 infrastructure funds for each educational service unit and learning
15 community shall equal the needs for each educational service unit or
16 learning community minus the product of the adjusted valuation for
17 the educational service unit or learning community multiplied by the
18 local effort rate.

19 (3) If an educational service unit is the result of a
20 merger or received new member school districts from another
21 educational service unit, the educational service unit shall be
22 considered a new educational service unit for purposes of this
23 section. For each new educational service unit, the needs minus the
24 distance education and telecommunications allowance for such new
25 educational service unit shall, for each of the three fiscal years

1 following the fiscal year in which the merger takes place or the new
2 member school districts are received, equal an amount not less than
3 the needs minus the distance education and telecommunications
4 allowance for the portions of the educational service units
5 transferred to the new educational service unit for the fiscal year
6 immediately preceding the merger or receipt of new member school
7 districts, except that if the total amount available to be
8 distributed pursuant to subsections (2) through (6) of this section
9 for the year for which needs are being calculated is less than the
10 total amount distributed pursuant to such subsections for the fiscal
11 year immediately preceding the merger or receipt of new member school
12 districts, the minimum needs minus the distance education and
13 telecommunications allowance for each educational service unit
14 pursuant to this subsection shall be reduced by a percentage equal to
15 the ratio of such difference divided by the total amount distributed
16 pursuant to subsections (2) through (6) of this section for the
17 fiscal year immediately preceding the merger or receipt of new member
18 school districts. The needs minus the distance education and
19 telecommunications allowance for the portions of educational service
20 units transferred to the new educational service unit for the fiscal
21 year immediately preceding a merger or receipt of new member school
22 districts shall equal the needs minus the distance education and
23 telecommunications allowance calculated for such fiscal year pursuant
24 to subsections (2) through (6) of this section for any educational
25 service unit affected by the merger or the transfer of school

1 districts multiplied by a ratio equal to the valuation that was
2 transferred to the new educational service unit for which the minimum
3 is being calculated divided by the total valuation of the educational
4 service unit transferring the territory.

5 (4) For fiscal years 2010-11 through 2013-14, each
6 educational service unit shall have needs minus the distance
7 education and telecommunications allowance equal to an amount not
8 less than ninety-five percent of the needs minus the distance
9 education and telecommunications allowance for the immediately
10 preceding fiscal year, except that if the total amount available to
11 be distributed pursuant to subsections (2) through (6) of this
12 section for the year for which needs are being calculated is less
13 than the total amount distributed pursuant to such subsections for
14 the immediately preceding fiscal year, the minimum needs minus the
15 distance education and telecommunications allowance for each
16 educational service unit pursuant to this subsection shall be reduced
17 by a percentage equal to the ratio of such difference divided by the
18 total amount distributed pursuant to subsections (2) through (6) of
19 this section.

20 (5) If the minimum needs minus the distance education and
21 telecommunications allowance pursuant to subsection (3) or (4) of
22 this section for any educational service unit exceeds the amount that
23 would otherwise be calculated for such educational service unit
24 pursuant to subsection (2) of this section, the statewide student
25 allocation shall be reduced such that the total amount to be

1 distributed pursuant to this section equals the appropriation for
2 core services and technology infrastructure funds and no educational
3 service unit has needs minus the distance education and
4 telecommunications allowance less than the greater of any minimum
5 amounts calculated for such educational service unit pursuant to
6 subsections (3) and (4) of this section.

7 (6) The State Department of Education shall certify the
8 distribution of core services and technology infrastructure funds
9 pursuant to subsections (2) through (6) of this section to each
10 educational service unit and learning community on or before July 1
11 of each year for the following school fiscal year. Except as
12 otherwise provided in this subsection, any funds appropriated for
13 distribution pursuant to this section shall be distributed in ten as
14 nearly as possible equal payments on the first business day of each
15 month beginning in September of each school fiscal year and ending in
16 June. Funds to be distributed to a learning community in school
17 fiscal year 2010-11 shall be distributed in ten payments on the first
18 business day of each month beginning in September 2010 and ending in
19 June 2011, with each of the first five payments equal as nearly as
20 possible to seventeen percent of the amount to be distributed and
21 with each of the last five payments equal as nearly as possible to
22 three percent of the amount to be distributed. Funds distributed to
23 educational service units pursuant to this section shall be used for
24 core services and technology infrastructure with the approval of
25 representatives of two-thirds of the member school districts of the

1 educational service unit, representing a majority of the adjusted
2 students in the member school districts used in calculations pursuant
3 to this section for such funds. The valuation of individual school
4 districts shall not be considered in the utilization of such core
5 services or technology infrastructure funds by member school
6 districts for funds received after July 1, 2010. Funds distributed to
7 learning communities on or before January 15, 2011, shall be used for
8 learning community purposes with the approval of the learning
9 community coordinating council. Funds distributed to learning
10 communities after January 15, 2011, and before July 1, 2014, shall be
11 used for evaluation and research pursuant to section 79-2104.02 with
12 the approval of the learning community coordinating council.

13 (7) For purposes of this section, the determination of
14 whether or not a school district will be a member of an educational
15 service unit or a learning community shall be based on the
16 information available May 1 for the following school fiscal year.

17 (8) It is the intent of the Legislature that:

18 (a) Funding for core services and technology
19 infrastructure for each educational service unit consist of both
20 amounts received pursuant to this section and an amount greater than
21 or equal to the product of the adjusted valuation for the educational
22 service unit multiplied by the local effort rate; and

23 (b) Each multidistrict educational service unit use an
24 amount equal to at least five percent of such funding for core
25 services and technology infrastructure for cooperative projects

1 between member school districts and that each such educational
2 service unit use an amount equal to at least five percent of such
3 funding for core services and technology infrastructure for statewide
4 projects managed by the Educational Service Unit Coordinating
5 Council.

6 Sec. 78. Section 81-1203, Revised Statutes Cumulative
7 Supplement, 2012, is amended to read:

8 81-1203 (1) A business applying for a job training grant,
9 other than a grant provided under subsection (3) of section
10 81-1201.21, shall submit a business plan to the Department of
11 Economic Development which includes, but is not limited to:

12 (a) The number of jobs to be created or the number of
13 existing positions that will be retrained;

14 (b) The nature of the business and the type of jobs to be
15 created or positions to be retrained;

16 (c) The estimated wage levels of the jobs to be created
17 or positions to be retrained; and

18 (d) A program schedule for the job training project.

19 (2) A business applying for a job training grant, other
20 than a grant provided under subsection (3) of section 81-1201.21,
21 must demonstrate that the job training project to be conducted
22 pursuant to the grant meets the following criteria:

23 (a) The wage level of the jobs created will meet the
24 local prevailing average;

25 (b) The jobs created will diversify the local economy;

1 (c) The goods or services produced by the company will be
2 export-oriented;

3 (d) Seventy-five percent of the jobs created will be
4 full-time jobs; and

5 (e) The new jobs will be created within three calendar
6 years.

7 (3) A business applying for a training grant under
8 subsection (3) of section 81-1201.21 may partner with a postsecondary
9 educational institution; a private, nonprofit organization holding a
10 certificate of exemption under section 501(c)(3) of the Internal
11 Revenue Code; or a ~~learning community coordinating council or school~~
12 district that has partnered with a private, nonprofit organization.
13 The application shall specify the role of the partnering entity in
14 identifying and training potential job applicants for the applicant
15 business.

16 (4) A business applying for a training grant under
17 subsection (3) of section 81-1201.21 may apply as a business that has
18 established a program under which residents of rural areas or high-
19 poverty areas are trained for employment or potential employment by
20 documenting:

21 (a) That the business has established a program designed
22 to fill a minimum of four positions in rural areas and a minimum of
23 eight positions in high-poverty areas for such business;

24 (b) A program schedule for the training project;

25 (c) The nature of the business and the number of

1 positions available or to be created;

2 (d) That the wage level of the positions available or to
3 be created will meet the local prevailing average;

4 (e) The value of the positions available or to be created
5 in diversifying the local economy;

6 (f) That a minimum of seventy-five percent of the
7 positions available or to be created will be full-time jobs;

8 (g) That the business will accept funding on behalf of
9 trainees and will provide a match of a minimum of twenty-five percent
10 of the value of the grant, either monetarily or through in-kind
11 services, as part of the training for each trainee;

12 (h) That any new position created will be done within
13 three calendar years;

14 (i) That the number of trainees will not exceed one
15 hundred twenty-five percent of the number of positions that will be
16 available at the time of application; and

17 (j) That the goods or services produced by the business
18 are generally exportable in nature resulting in additional money to
19 the community or the state and the positions available or to be
20 created are not local retail positions.

21 (5) Each business participating in a training grant under
22 subsection (3) of section 81-1201.21 shall be subject to an audit by
23 the Department of Economic Development and shall annually report or
24 provide to the department the following information:

25 (a) The percentage of trainees who have successfully

1 completed the training;

2 (b) The percentage of trainees that such business hired;

3 (c) An itemized description of such business's match
4 including expenditures per trainee; and

5 (d) A copy of the training curriculum.

6 (6) For purposes of subsections (3) through (5) of this
7 section:

8 (a) High-poverty area means an area consisting of one or
9 more contiguous census tracts, as determined by the most recent
10 federal decennial census, which contain a percentage of persons with
11 incomes below the poverty line of greater than thirty percent, and
12 all census tracts contiguous to such tract or tracts, as determined
13 by the most recent federal decennial census; and

14 (b) Private, nonprofit organization means an organization
15 whose purpose is providing basic job and life skills training to
16 individuals in need of such training in rural or high-poverty areas.

17 Sec. 79. Section 84-1413, Revised Statutes Cumulative
18 Supplement, 2012, is amended to read:

19 84-1413 (1) Each public body shall keep minutes of all
20 meetings showing the time, place, members present and absent, and the
21 substance of all matters discussed.

22 (2) Any action taken on any question or motion duly moved
23 and seconded shall be by roll call vote of the public body in open
24 session, and the record shall state how each member voted or if the
25 member was absent or not voting. The requirements of a roll call or

1 viva voce vote shall be satisfied by a municipality, a county, a
2 ~~learning community~~, a joint entity created pursuant to the Interlocal
3 Cooperation Act, a joint public agency created pursuant to the Joint
4 Public Agency Act, or an agency formed under the Municipal
5 Cooperative Financing Act which utilizes an electronic voting device
6 which allows the yeas and nays of each member of such city council,
7 village board, county board, or governing body to be readily seen by
8 the public.

9 (3) The vote to elect leadership within a public body may
10 be taken by secret ballot, but the total number of votes for each
11 candidate shall be recorded in the minutes.

12 (4) The minutes of all meetings and evidence and
13 documentation received or disclosed in open session shall be public
14 records and open to public inspection during normal business hours.

15 (5) Minutes shall be written and available for inspection
16 within ten working days or prior to the next convened meeting,
17 whichever occurs earlier, except that cities of the second class and
18 villages may have an additional ten working days if the employee
19 responsible for writing the minutes is absent due to a serious
20 illness or emergency.

21 Sec. 80. Sections 2, 7, 10, 11, 12, 14, 15, 16, 17, 18,
22 19, 21, 22, 23, 25, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42,
23 45, 46, 47, 48, 49, 50, 51, 52, 53, 60, 61, 62, 69, 70, 71, 72, 74,
24 75, 76, 78, 79, 81, and 83 of this act become operative on July 1,
25 2014. The other sections of this act become operative on their

1 effective date.

2 Sec. 81. Original sections 11-119, 13-2202, 77-1601.02,
3 77-1614, 77-1624, 77-1702, 77-1708, 77-2201, 77-2202, 79-102, 79-407,
4 79-415, 79-416, 79-433, 79-452, 79-458, 79-458.01, 79-467, 79-468,
5 79-473, 79-549, 79-760.02, 79-850, 79-979, 79-1074, 79-1075, 79-1083,
6 79-10,120, 79-10,126, and 79-1210, Reissue Revised Statutes of
7 Nebraska, and sections 32-604, 32-1203, 68-907, 77-1704.01,
8 77-2704.15, 79-408, 79-413, 79-611, 79-760.03, 79-760.05, 79-769,
9 79-777, 79-1013, 79-1014, 79-1022, 79-1084, 81-1203, and 84-1413,
10 Revised Statutes Cumulative Supplement, 2012, are repealed.

11 Sec. 82. Original sections 13-503, 13-508, 13-511,
12 13-903, 32-567, and 77-1772, Reissue Revised Statutes of Nebraska,
13 and sections 32-546.01, 70-651.04, 77-3442, 79-201, 79-215, 79-233,
14 79-237, 79-238, 79-527, 79-528, 79-1003, 79-1007.05, 79-1007.11,
15 79-1007.18, 79-1007.22, 79-1008.02, 79-1024, 79-1033, 79-1036,
16 79-1041, 79-1073, 79-1073.01, 79-1086, and 79-1241.03, Revised
17 Statutes Cumulative Supplement, 2012, are repealed.

18 Sec. 83. The following sections are outright repealed:
19 Sections 79-4,117, 79-4,118, 79-4,119, 79-4,120, 79-4,121, 79-4,122,
20 79-4,123, 79-4,124, 79-4,125, 79-4,126, 79-4,127, 79-4,128, 79-4,129,
21 79-10,126.01, 79-2101, 79-2102, 79-2102.01, 79-2103, 79-2104.01,
22 79-2107, 79-2114, and 79-2119, Reissue Revised Statutes of Nebraska,
23 and sections 32-555.01, 79-2104, 79-2104.02, 79-2110, 79-2110.01,
24 79-2111, 79-2112, 79-2113, 79-2115, 79-2116, 79-2117, 79-2118,
25 79-2120, and 79-2121, Revised Statutes Cumulative Supplement, 2012.