

LEGISLATURE OF NEBRASKA  
ONE HUNDRED THIRD LEGISLATURE  
FIRST SESSION  
**LEGISLATIVE BILL 366**

Introduced by Cook, 13.

Read first time January 18, 2013

Committee: Education

A BILL

1 FOR AN ACT relating to education; to amend section 9-812, Reissue  
2 Revised Statutes of Nebraska; to adopt the Remedial Adult  
3 Education Innovation Act; to change provisions relating  
4 to the Education Innovation Fund; to harmonize  
5 provisions; to repeal the original section; and to  
6 declare an emergency.

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

1           Section 1. Sections 1 to 8 of this act shall be known and  
2 may be cited as the Remedial Adult Education Innovation Act.

3           Sec. 2. The Legislature finds that:

4           (1) Nebraska faces many challenges in preparing an adult  
5 workforce in which all individuals possess adequate basic skill  
6 levels in reading, writing, and mathematics and computer skills;

7           (2) Currently many individuals struggle to attain the  
8 educational credentials and basic skills necessary for self-  
9 sufficiency;

10          (3) The state must develop strategies and opportunities  
11 to increase the number of individuals who can attain a high school  
12 diploma or a diploma of high school equivalency and are workforce-  
13 ready upon receiving such diploma;

14          (4) The state must address the need for programs that  
15 effectively help the increasing number of individuals lacking a high  
16 school education;

17          (5) The state can address these needs by offering  
18 multiple pathways to a high school diploma or a diploma of high  
19 school equivalency, providing opportunities to assist more  
20 individuals in formulating and attaining their goals, and focusing on  
21 transition services to provide readiness for college and careers; and

22          (6) The state must ensure that computerized GED Testing  
23 Centers are compliant with national standards and responsive and  
24 accessible to all citizens attempting to earn a diploma of high  
25 school equivalency.

1           Sec. 3. It is the intent of the Legislature that the  
2 Remedial Adult Education Innovation Act:

3           (1) Create a framework for success in attaining basic  
4 educational skills;

5           (2) Fill in educational gaps for individuals who lack the  
6 reading, writing, and mathematics skills and the work-readiness  
7 skills needed by today's workforce;

8           (3) Support communities through focused community college  
9 efforts to assist adults in attaining a high school diploma or a  
10 diploma of high school equivalency;

11           (4) Create new opportunities and multiple pathways to  
12 allow individuals to secure meaningful employment and become employed  
13 in industries across the state;

14           (5) Effectively prepare the State of Nebraska to provide  
15 computerized GED Testing Centers by January 2014, increase the  
16 completion rate of adults seeking to earn a diploma of high school  
17 equivalency, and increase the number of individuals whose basic  
18 skills levels make them college-ready and career-ready; and

19           (6) Address basic educational skill deficiencies across  
20 the entire continuum of services from low-level literacy through all  
21 levels of adult basic education.

22           Sec. 4. It is the intent of the Legislature to  
23 appropriate \$XXX each fiscal year from the Education Innovation Fund  
24 to the State Department of Education. The department shall use such  
25 funds to provide reimbursement of expenses to programs which will

1 effectively assist citizens to achieve adequate education levels and  
2 allow community colleges to carry out the purposes of the Remedial  
3 Adult Education Innovation Act by increasing the capacity of  
4 community colleges to deliver high-quality remedial adult education.  
5 Funding priority shall be given to community college programs that  
6 include adult education skill building, multiple pathways for  
7 attainment of a high school diploma or a diploma of high school  
8 equivalency, occupational training opportunities, and GED testing  
9 services.

10           Sec. 5. The State Department of Education shall adopt and  
11 promulgate rules and regulations to develop a process for applying  
12 for, evaluating applications for, and providing reimbursements as  
13 provided in the Remedial Adult Education Innovation Act. Such rules  
14 and regulations shall include, but not be limited to, provisions that  
15 institutions requesting reimbursement of expenses shall maintain GED  
16 training and testing programs that:

17           (1) Provide for successful implementation by January 2014  
18 of computerized GED Testing Centers which comply with GED Testing  
19 Service standards and provide open access to individuals across the  
20 state;

21           (2) Lead to the attainment of a high school diploma or a  
22 diploma of high school equivalency for participants; and

23           (3) Provide for both academic and support services needed  
24 for participants' educational and employment success.

25           Sec. 6. Each program receiving reimbursement pursuant to

1 the Remedial Adult Education Innovation Act shall report annually to  
2 the department. The report shall give a description of the operation  
3 of the program for which reimbursement funds were provided and shall  
4 include information on the following:

5 (1) The number of high school diplomas or diplomas of  
6 high school equivalency awarded pursuant to such program in the  
7 preceding twelve months;

8 (2) The number of participants in the program who moved  
9 successfully through the continuum of literacy skill levels offered  
10 by the program;

11 (3) The number of participants completing the program who  
12 secured entry-level career path employment in the preceding twelve  
13 months; and

14 (4) The number of participants completing the program who  
15 went on to postsecondary education or additional career training  
16 during the preceding twelve months.

17 Sec. 7. (1) Each institution that provides GED training  
18 and testing shall receive a designated amount from the State  
19 Department of Education for each participant enrolled in its GED  
20 program as follows:

21 (a) Each such institution shall receive one reimbursement  
22 payment for each student who enrolls in its GED program;

23 (b) Each such institution shall receive one reimbursement  
24 payment for each enrolled student upon the student's initial  
25 examination for a GED; and

1           (c) Each institution shall receive one reimbursement  
2 payment for each walk-in GED student not in the program who takes the  
3 GED examination.

4           (2) An institution shall receive no additional  
5 reimbursement for any student who fails his or her first GED  
6 examination and requires additional training and testing.

7           Sec. 8. Each institution that provides GED training and  
8 testing shall be eligible to receive a one-time payment in state  
9 matching funds for acquisition and upgrade of computerized GED  
10 Testing Center equipment and software, for each computerized GED  
11 Testing Center operated by such institution, in order to come into  
12 compliance with national standards which take effect in 2014.

13           Sec. 9. Section 9-812, Reissue Revised Statutes of  
14 Nebraska, is amended to read:

15           9-812 (1) All money received from the operation of  
16 lottery games conducted pursuant to the State Lottery Act in Nebraska  
17 shall be credited to the State Lottery Operation Trust Fund, which  
18 fund is hereby created. All payments of the costs of establishing and  
19 maintaining the lottery games shall be made from the State Lottery  
20 Operation Cash Fund. In accordance with legislative appropriations,  
21 money for payments for expenses of the division shall be transferred  
22 from the State Lottery Operation Trust Fund to the State Lottery  
23 Operation Cash Fund, which fund is hereby created. All money  
24 necessary for the payment of lottery prizes shall be transferred from  
25 the State Lottery Operation Trust Fund to the State Lottery Prize

1 Trust Fund, which fund is hereby created. The amount used for the  
2 payment of lottery prizes shall not be less than forty percent of the  
3 dollar amount of the lottery tickets which have been sold.

4 (2) Beginning October 1, 2003, a portion of the dollar  
5 amount of the lottery tickets which have been sold on an annualized  
6 basis shall be transferred from the State Lottery Operation Trust  
7 Fund to the Education Innovation Fund, the Nebraska Opportunity Grant  
8 Fund, the Nebraska Environmental Trust Fund, the Nebraska State Fair  
9 Board, and the Compulsive Gamblers Assistance Fund. The dollar amount  
10 transferred pursuant to this subsection shall equal the greater of  
11 (a) the dollar amount transferred to the funds in fiscal year 2002-03  
12 or (b) any amount which constitutes at least twenty-two percent and  
13 no more than twenty-five percent of the dollar amount of the lottery  
14 tickets which have been sold on an annualized basis. To the extent  
15 that funds are available, the Tax Commissioner and director may  
16 authorize a transfer exceeding twenty-five percent of the dollar  
17 amount of the lottery tickets sold on an annualized basis.

18 (3) Of the money available to be transferred to the  
19 Education Innovation Fund, the Nebraska Opportunity Grant Fund, the  
20 Nebraska Environmental Trust Fund, the Nebraska State Fair Board, and  
21 the Compulsive Gamblers Assistance Fund:

22 (a) The first five hundred thousand dollars shall be  
23 transferred to the Compulsive Gamblers Assistance Fund to be used as  
24 provided in section 71-817;

25 (b) Nineteen and three-fourths percent of the money

1 remaining after the payment of prizes and operating expenses and the  
2 initial transfer to the Compulsive Gamblers Assistance Fund shall be  
3 transferred to the Education Innovation Fund;

4 (c) Twenty-four and three-fourths percent of the money  
5 remaining after the payment of prizes and operating expenses and the  
6 initial transfer to the Compulsive Gamblers Assistance Fund shall be  
7 transferred to the Nebraska Opportunity Grant Fund;

8 (d) Forty-four and one-half percent of the money  
9 remaining after the payment of prizes and operating expenses and the  
10 initial transfer to the Compulsive Gamblers Assistance Fund shall be  
11 transferred to the Nebraska Environmental Trust Fund to be used as  
12 provided in the Nebraska Environmental Trust Act;

13 (e) Ten percent of the money remaining after the payment  
14 of prizes and operating expenses and the initial transfer to the  
15 Compulsive Gamblers Assistance Fund shall be transferred to the  
16 Nebraska State Fair Board if the most populous city within the county  
17 in which the fair is located provides matching funds equivalent to  
18 ten percent of the funds available for transfer. Such matching funds  
19 may be obtained from the city and any other private or public entity,  
20 except that no portion of such matching funds shall be provided by  
21 the state. If the Nebraska State Fair ceases operations, ten percent  
22 of the money remaining after the payment of prizes and operating  
23 expenses and the initial transfer to the Compulsive Gamblers  
24 Assistance Fund shall be transferred to the General Fund; and

25 (f) One percent of the money remaining after the payment



1 of prizes and operating expenses and the initial transfer to the  
2 Compulsive Gamblers Assistance Fund shall be transferred to the  
3 Compulsive Gamblers Assistance Fund to be used as provided in section  
4 71-817.

5 (4)(a) The Education Innovation Fund is created. At least  
6 seventy-five percent of the lottery proceeds allocated to the  
7 Education Innovation Fund shall be available for disbursement.

8 (b) For fiscal year 2010-11, the Education Innovation  
9 Fund shall be allocated as follows: The first one million dollars  
10 shall be transferred to the Excellence in Teaching Cash Fund to fund  
11 the Excellence in Teaching Act, and the amount remaining in the  
12 Education Innovation Fund shall be allocated, after administrative  
13 expenses, for distance education equipment and incentives pursuant to  
14 sections 79-1336 and 79-1337.

15 (c) For fiscal year 2011-12, the Education Innovation  
16 Fund shall be allocated as follows: (i) The first two hundred twenty-  
17 five thousand dollars shall be transferred to the Excellence in  
18 Teaching Cash Fund to fund the Attracting Excellence to Teaching  
19 Program; (ii) the next three million three hundred sixty-five  
20 thousand nine hundred sixty-two dollars shall be distributed to  
21 school districts as grants pursuant to the Early Childhood Education  
22 Grant Program; (iii) the next two million one hundred seventy-five  
23 thousand six hundred seventy-three dollars shall be distributed to  
24 local systems as grants for approved accelerated or differentiated  
25 curriculum programs for students identified as learners with high

1 ability pursuant to section 79-1108.02; (iv) the next four hundred  
2 ninety-one thousand five hundred forty-one dollars shall be used by  
3 the State Department of Education for the development of an  
4 integrated early childhood, elementary, secondary, and postsecondary  
5 student information system; (v) the next four hundred fifty thousand  
6 dollars shall fund the Center for Student Leadership and Extended  
7 Learning Act; (vi) the next one hundred fourteen thousand six hundred  
8 twenty-nine dollars shall fund the multicultural education program  
9 created under section 79-720; (vii) the next one hundred twenty-three  
10 thousand four hundred sixty-eight dollars shall be used by the  
11 department to employ persons to investigate and prosecute alleged  
12 violations as provided in section 79-868; (viii) up to the next one  
13 hundred sixty thousand dollars shall be used by the department to  
14 implement section 79-759; and (ix) the amount remaining shall be  
15 allocated, after administrative expenses, for distance education  
16 equipment and incentives pursuant to sections 79-1336 and 79-1337.

17 (d) For fiscal year 2012-13, the Education Innovation  
18 Fund shall be allocated as follows: (i) The first forty-five thousand  
19 dollars shall be transferred to the Excellence in Teaching Cash Fund  
20 to fund the Attracting Excellence to Teaching Program; (ii) the next  
21 three million three hundred sixty-five thousand nine hundred sixty-  
22 two dollars shall be distributed to school districts as grants  
23 pursuant to the Early Childhood Education Grant Program; (iii) the  
24 next two million one hundred seventy-five thousand six hundred  
25 seventy-three dollars shall be distributed to local systems as grants

1 for approved accelerated or differentiated curriculum programs for  
2 students identified as learners with high ability pursuant to section  
3 79-1108.02; (iv) the next one hundred eight thousand one hundred  
4 thirty-six dollars shall be used by the department for the  
5 development of an integrated early childhood, elementary, secondary,  
6 and postsecondary student information system; (v) the next four  
7 hundred fifty thousand dollars shall fund the Center for Student  
8 Leadership and Extended Learning Act; (vi) the next one hundred  
9 fourteen thousand six hundred twenty-nine dollars shall be used by  
10 the department to fund the multicultural education program created  
11 under section 79-720; (vii) the next one hundred twenty-three  
12 thousand four hundred sixty-eight dollars shall be used by the  
13 department to employ persons to investigate and prosecute alleged  
14 violations as provided in section 79-868; (viii) up to the next one  
15 hundred sixty thousand dollars shall be used by the department to  
16 implement section 79-759; (ix) the next twenty-seven thousand two  
17 hundred dollars shall be used to fund the Interstate Compact on  
18 Educational Opportunity for Military Children; (x) the next two  
19 hundred thousand dollars shall be used to provide grants to establish  
20 bridge programs pursuant to sections 79-1189 to 79-1195; and (xi) the  
21 amount remaining shall be allocated, after administrative expenses,  
22 for distance education equipment and incentives pursuant to sections  
23 79-1336 and 79-1337.

24 (e) For fiscal year 2013-14, the Education Innovation  
25 Fund shall be allocated as follows: (i) The first one million dollars

1 shall be transferred to the Excellence in Teaching Cash Fund to fund  
2 the Excellence in Teaching Act; (ii) the next allocation shall be  
3 distributed to local systems as grants for approved accelerated or  
4 differentiated curriculum programs for students identified as  
5 learners with high ability pursuant to section 79-1108.02 in an  
6 aggregated amount up to the amount distributed in the prior fiscal  
7 year for such purposes increased by the basic allowable growth rate  
8 pursuant to section 79-1025; (iii) the next allocation shall be used  
9 by the State Department of Education for the integrated early  
10 childhood, elementary, secondary, and postsecondary student  
11 information system in an aggregated amount up to the amount used in  
12 the prior fiscal year for such purposes increased by the basic  
13 allowable growth rate pursuant to section 79-1025; (iv) the next  
14 allocation shall fund the Center for Student Leadership and Extended  
15 Learning Act in an aggregated amount up to the amount used in the  
16 prior fiscal year for such purposes increased by the basic allowable  
17 growth rate pursuant to section 79-1025; (v) the next allocation  
18 shall be used by the department to fund the multicultural education  
19 program created under section 79-720 in an aggregated amount up to  
20 the amount used in the prior fiscal year for such purposes increased  
21 by the basic allowable growth rate pursuant to section 79-1025; (vi)  
22 the next allocation shall be used by the department to employ persons  
23 to investigate and prosecute alleged violations as provided in  
24 section 79-868 in an aggregated amount up to the amount used in the  
25 prior fiscal year for such purposes increased by the basic allowable

1 growth rate pursuant to section 79-1025; (vii) up to the next one  
2 hundred sixty thousand dollars shall be used by the department to  
3 implement section 79-759; (viii) the next two hundred thousand  
4 dollars shall be used to provide grants to establish bridge programs  
5 pursuant to sections 79-1189 to 79-1195; ~~and~~ (ix) the next XXX  
6 dollars shall be used to reimburse expenses pursuant to the Remedial  
7 Adult Education Innovation Act; and (x) the amount remaining shall be  
8 allocated, after administrative expenses, for distance education  
9 equipment and incentives pursuant to sections 79-1336 and 79-1337.

10 (f) For fiscal year 2014-15, the Education Innovation  
11 Fund shall be allocated as follows: (i) The first one million dollars  
12 shall be transferred to the Excellence in Teaching Cash Fund to fund  
13 the Excellence in Teaching Act; (ii) the next allocation shall be  
14 distributed to local systems as grants for approved accelerated or  
15 differentiated curriculum programs for students identified as  
16 learners with high ability pursuant to section 79-1108.02 in an  
17 aggregated amount up to the amount distributed in the prior fiscal  
18 year for such purposes increased by the basic allowable growth rate  
19 pursuant to section 79-1025; (iii) the next allocation shall be used  
20 by the State Department of Education for the integrated early  
21 childhood, elementary, secondary, and postsecondary student  
22 information system in an aggregated amount up to the amount used in  
23 the prior fiscal year for such purposes increased by the basic  
24 allowable growth rate pursuant to section 79-1025; (iv) the next  
25 allocation shall fund the Center for Student Leadership and Extended

1 Learning Act in an aggregated amount up to the amount used in the  
2 prior fiscal year for such purposes increased by the basic allowable  
3 growth rate pursuant to section 79-1025; (v) the next allocation  
4 shall be used by the department to fund the multicultural education  
5 program created under section 79-720 in an aggregated amount up to  
6 the amount used in the prior fiscal year for such purposes increased  
7 by the basic allowable growth rate pursuant to section 79-1025; (vi)  
8 the next allocation shall be used by the department to employ persons  
9 to investigate and prosecute alleged violations as provided in  
10 section 79-868 in an aggregated amount up to the amount used in the  
11 prior fiscal year for such purposes increased by the basic allowable  
12 growth rate pursuant to section 79-1025; (vii) the next two hundred  
13 thousand dollars shall be used to provide grants to establish bridge  
14 programs pursuant to sections 79-1189 to 79-1195; ~~and~~ (viii) the next  
15 XXX dollars shall be used to reimburse institutions pursuant to the  
16 Remedial Adult Education Innovation Act; and (ix) the amount  
17 remaining shall be allocated, after administrative expenses, for  
18 distance education equipment and incentives pursuant to sections  
19 79-1336 and 79-1337.

20 (g) For fiscal year 2015-16, the Education Innovation  
21 Fund shall be allocated as follows: (i) The first one million dollars  
22 shall be transferred to the Excellence in Teaching Cash Fund to fund  
23 the Excellence in Teaching Act; (ii) the next allocation shall be  
24 distributed to local systems as grants for approved accelerated or  
25 differentiated curriculum programs for students identified as

1 learners with high ability pursuant to section 79-1108.02 in an  
2 aggregated amount up to the amount distributed in the prior fiscal  
3 year for such purposes increased by the basic allowable growth rate  
4 pursuant to section 79-1025; (iii) the next allocation shall be used  
5 by the State Department of Education for the integrated early  
6 childhood, elementary, secondary, and postsecondary student  
7 information system in an aggregated amount up to the amount used in  
8 the prior fiscal year for such purposes increased by the basic  
9 allowable growth rate pursuant to section 79-1025; (iv) the next  
10 allocation shall fund the Center for Student Leadership and Extended  
11 Learning Act in an aggregated amount up to the amount used in the  
12 prior fiscal year for such purposes increased by the basic allowable  
13 growth rate pursuant to section 79-1025; (v) the next allocation  
14 shall be used by the department to fund the multicultural education  
15 program created under section 79-720 in an aggregated amount up to  
16 the amount used in the prior fiscal year for such purposes increased  
17 by the basic allowable growth rate pursuant to section 79-1025; (vi)  
18 the next allocation shall be used by the department to employ persons  
19 to investigate and prosecute alleged violations as provided in  
20 section 79-868 in an aggregated amount up to the amount used in the  
21 prior fiscal year for such purposes increased by the basic allowable  
22 growth rate pursuant to section 79-1025; ~~and~~—(vii) the next XXX  
23 dollars shall be used to reimburse institutions pursuant to the  
24 Remedial Adult Education Innovation Act; and (viii) the amount  
25 remaining shall be allocated, after administrative expenses, for

1 distance education equipment and incentives pursuant to sections  
2 79-1336 and 79-1337.

3 (h) For fiscal year 2016-17 and each fiscal year  
4 thereafter, the Education Innovation Fund shall be allocated, after  
5 administrative expenses, for education purposes as provided by the  
6 Legislature.

7 (5) Any money in the State Lottery Operation Trust Fund,  
8 the State Lottery Operation Cash Fund, the State Lottery Prize Trust  
9 Fund, or the Education Innovation Fund available for investment shall  
10 be invested by the state investment officer pursuant to the Nebraska  
11 Capital Expansion Act and the Nebraska State Funds Investment Act.

12 (6) Unclaimed prize money on a winning lottery ticket  
13 shall be retained for a period of time prescribed by rules and  
14 regulations. If no claim is made within such period, the prize money  
15 shall be used at the discretion of the Tax Commissioner for any of  
16 the purposes prescribed in this section.

17 Sec. 10. Original section 9-812, Reissue Revised Statutes  
18 of Nebraska, is repealed.

19 Sec. 11. Since an emergency exists, this act takes effect  
20 when passed and approved according to law.