

LEGISLATURE OF NEBRASKA
ONE HUNDRED THIRD LEGISLATURE
FIRST SESSION
LEGISLATIVE BILL 511

Introduced by Scheer, 19.

Read first time January 23, 2013

Committee: Education

A BILL

1 FOR AN ACT relating to education; to amend section 9-812, Reissue
2 Revised Statutes of Nebraska; to provide for allocation
3 of the Education Innovation Fund as prescribed; and to
4 repeal the original section.
5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 9-812, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 9-812 (1) All money received from the operation of
4 lottery games conducted pursuant to the State Lottery Act in Nebraska
5 shall be credited to the State Lottery Operation Trust Fund, which
6 fund is hereby created. All payments of the costs of establishing and
7 maintaining the lottery games shall be made from the State Lottery
8 Operation Cash Fund. In accordance with legislative appropriations,
9 money for payments for expenses of the division shall be transferred
10 from the State Lottery Operation Trust Fund to the State Lottery
11 Operation Cash Fund, which fund is hereby created. All money
12 necessary for the payment of lottery prizes shall be transferred from
13 the State Lottery Operation Trust Fund to the State Lottery Prize
14 Trust Fund, which fund is hereby created. The amount used for the
15 payment of lottery prizes shall not be less than forty percent of the
16 dollar amount of the lottery tickets which have been sold.

17 (2) Beginning October 1, 2003, a portion of the dollar
18 amount of the lottery tickets which have been sold on an annualized
19 basis shall be transferred from the State Lottery Operation Trust
20 Fund to the Education Innovation Fund, the Nebraska Opportunity Grant
21 Fund, the Nebraska Environmental Trust Fund, the Nebraska State Fair
22 Board, and the Compulsive Gamblers Assistance Fund. The dollar amount
23 transferred pursuant to this subsection shall equal the greater of
24 (a) the dollar amount transferred to the funds in fiscal year 2002-03
25 or (b) any amount which constitutes at least twenty-two percent and

1 no more than twenty-five percent of the dollar amount of the lottery
2 tickets which have been sold on an annualized basis. To the extent
3 that funds are available, the Tax Commissioner and director may
4 authorize a transfer exceeding twenty-five percent of the dollar
5 amount of the lottery tickets sold on an annualized basis.

6 (3) Of the money available to be transferred to the
7 Education Innovation Fund, the Nebraska Opportunity Grant Fund, the
8 Nebraska Environmental Trust Fund, the Nebraska State Fair Board, and
9 the Compulsive Gamblers Assistance Fund:

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

13 (b) Nineteen and three-fourths percent of the money
14 remaining after the payment of prizes and operating expenses and the
15 initial transfer to the Compulsive Gamblers Assistance Fund shall be
16 transferred to the Education Innovation Fund;

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

21 (d) Forty-four and one-half percent of the money
22 remaining after the payment of prizes and operating expenses and the
23 initial transfer to the Compulsive Gamblers Assistance Fund shall be
24 transferred to the Nebraska Environmental Trust Fund to be used as
25 provided in the Nebraska Environmental Trust Act;

1 (e) Ten percent of the money remaining after the payment
2 of prizes and operating expenses and the initial transfer to the
3 Compulsive Gamblers Assistance Fund shall be transferred to the
4 Nebraska State Fair Board if the most populous city within the county
5 in which the fair is located provides matching funds equivalent to
6 ten percent of the funds available for transfer. Such matching funds
7 may be obtained from the city and any other private or public entity,
8 except that no portion of such matching funds shall be provided by
9 the state. If the Nebraska State Fair ceases operations, ten percent
10 of the money remaining after the payment of prizes and operating
11 expenses and the initial transfer to the Compulsive Gamblers
12 Assistance Fund shall be transferred to the General Fund; and

13 (f) One 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 Compulsive Gamblers Assistance Fund to be used as provided in section
17 71-817.

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

21 (b) For fiscal year 2010-11, the Education Innovation
22 Fund shall be allocated as follows: The first one million dollars
23 shall be transferred to the Excellence in Teaching Cash Fund to fund
24 the Excellence in Teaching Act, and the amount remaining in the
25 Education Innovation Fund shall be allocated, after administrative

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

3 (c) For fiscal year 2011-12, the Education Innovation
4 Fund shall be allocated as follows: (i) The first two hundred twenty-
5 five thousand dollars shall be transferred to the Excellence in
6 Teaching Cash Fund to fund the Attracting Excellence to Teaching
7 Program; (ii) the next three million three hundred sixty-five
8 thousand nine hundred sixty-two dollars shall be distributed to
9 school districts as grants pursuant to the Early Childhood Education
10 Grant Program; (iii) the next two million one hundred seventy-five
11 thousand six hundred seventy-three dollars shall be distributed to
12 local systems as grants for approved accelerated or differentiated
13 curriculum programs for students identified as learners with high
14 ability pursuant to section 79-1108.02; (iv) the next four hundred
15 ninety-one thousand five hundred forty-one dollars shall be used by
16 the State Department of Education for the development of an
17 integrated early childhood, elementary, secondary, and postsecondary
18 student information system; (v) the next four hundred fifty thousand
19 dollars shall fund the Center for Student Leadership and Extended
20 Learning Act; (vi) the next one hundred fourteen thousand six hundred
21 twenty-nine dollars shall fund the multicultural education program
22 created under section 79-720; (vii) the next one hundred twenty-three
23 thousand four hundred sixty-eight dollars shall be used by the
24 department to employ persons to investigate and prosecute alleged
25 violations as provided in section 79-868; (viii) up to the next one

1 hundred sixty thousand dollars shall be used by the department to
2 implement section 79-759; and (ix) the amount remaining shall be
3 allocated, after administrative expenses, for distance education
4 equipment and incentives pursuant to sections 79-1336 and 79-1337.

5 (d) For fiscal year 2012-13, the Education Innovation
6 Fund shall be allocated as follows: (i) The first forty-five thousand
7 dollars shall be transferred to the Excellence in Teaching Cash Fund
8 to fund the Attracting Excellence to Teaching Program; (ii) the next
9 three million three hundred sixty-five thousand nine hundred sixty-
10 two dollars shall be distributed to school districts as grants
11 pursuant to the Early Childhood Education Grant Program; (iii) the
12 next two million one hundred seventy-five thousand six hundred
13 seventy-three dollars shall be distributed to local systems as grants
14 for approved accelerated or differentiated curriculum programs for
15 students identified as learners with high ability pursuant to section
16 79-1108.02; (iv) the next one hundred eight thousand one hundred
17 thirty-six dollars shall be used by the department for the
18 development of an integrated early childhood, elementary, secondary,
19 and postsecondary student information system; (v) the next four
20 hundred fifty thousand dollars shall fund the Center for Student
21 Leadership and Extended Learning Act; (vi) the next one hundred
22 fourteen thousand six hundred twenty-nine dollars shall be used by
23 the department to fund the multicultural education program created
24 under section 79-720; (vii) the next one hundred twenty-three
25 thousand four hundred sixty-eight dollars shall be used by the

1 department to employ persons to investigate and prosecute alleged
2 violations as provided in section 79-868; (viii) up to the next one
3 hundred sixty thousand dollars shall be used by the department to
4 implement section 79-759; (ix) the next twenty-seven thousand two
5 hundred dollars shall be used to fund the Interstate Compact on
6 Educational Opportunity for Military Children; (x) the next two
7 hundred thousand dollars shall be used to provide grants to establish
8 bridge programs pursuant to sections 79-1189 to 79-1195; and (xi) the
9 amount remaining shall be allocated, after administrative expenses,
10 for distance education equipment and incentives pursuant to sections
11 79-1336 and 79-1337.

12 (e) For fiscal year 2013-14, the Education Innovation
13 Fund shall be allocated as follows: (i) The first one million dollars
14 shall be transferred to the Excellence in Teaching Cash Fund to fund
15 the Excellence in Teaching Act; (ii) the next allocation shall be
16 distributed to local systems as grants for approved accelerated or
17 differentiated curriculum programs for students identified as
18 learners with high ability pursuant to section 79-1108.02 in an
19 aggregated amount up to the amount distributed in the prior fiscal
20 year for such purposes increased by the basic allowable growth rate
21 pursuant to section 79-1025; (iii) the next allocation shall be used
22 by the State Department of Education for the integrated early
23 childhood, elementary, secondary, and postsecondary student
24 information system in an aggregated amount up to the amount used in
25 the prior fiscal year for such purposes increased by the basic

1 allowable growth rate pursuant to section 79-1025; (iv) the next
2 allocation shall fund the Center for Student Leadership and Extended
3 Learning Act in an aggregated amount up to the amount used in the
4 prior fiscal year for such purposes increased by the basic allowable
5 growth rate pursuant to section 79-1025; (v) the next allocation
6 shall be used by the department to fund the multicultural education
7 program created under section 79-720 in an aggregated amount up to
8 the amount used in the prior fiscal year for such purposes increased
9 by the basic allowable growth rate pursuant to section 79-1025; (vi)
10 the next allocation shall be used by the department to employ persons
11 to investigate and prosecute alleged violations as provided in
12 section 79-868 in an aggregated amount up to the amount used in the
13 prior fiscal year for such purposes increased by the basic allowable
14 growth rate pursuant to section 79-1025; (vii) up to the next one
15 hundred sixty thousand dollars shall be used by the department to
16 implement section 79-759; (viii) the next two hundred thousand
17 dollars shall be used to provide grants to establish bridge programs
18 pursuant to sections 79-1189 to 79-1195; and (ix) the amount
19 remaining shall be allocated, after administrative expenses, for
20 distance education equipment and incentives pursuant to sections
21 79-1336 and 79-1337.

22 (f) For fiscal year 2014-15, the Education Innovation
23 Fund shall be allocated as follows: (i) The first one million dollars
24 shall be transferred to the Excellence in Teaching Cash Fund to fund
25 the Excellence in Teaching Act; (ii) the next allocation shall be

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

1 programs pursuant to sections 79-1189 to 79-1195; and (viii) the
2 amount remaining shall be allocated, after administrative expenses,
3 for distance education equipment and incentives pursuant to sections
4 79-1336 and 79-1337.

5 (g) For fiscal year 2015-16, the Education Innovation
6 Fund shall be allocated as follows: (i) The first one million dollars
7 shall be transferred to the Excellence in Teaching Cash Fund to fund
8 the Excellence in Teaching Act; (ii) the next allocation shall be
9 distributed to local systems as grants for approved accelerated or
10 differentiated curriculum programs for students identified as
11 learners with high ability pursuant to section 79-1108.02 in an
12 aggregated amount up to the amount distributed in the prior fiscal
13 year for such purposes increased by the basic allowable growth rate
14 pursuant to section 79-1025; (iii) the next allocation shall be used
15 by the State Department of Education for the integrated early
16 childhood, elementary, secondary, and postsecondary student
17 information system in an aggregated amount up to the amount used in
18 the prior fiscal year for such purposes increased by the basic
19 allowable growth rate pursuant to section 79-1025; (iv) the next
20 allocation shall fund the Center for Student Leadership and Extended
21 Learning Act in an aggregated amount up to the amount used in the
22 prior fiscal year for such purposes increased by the basic allowable
23 growth rate pursuant to section 79-1025; (v) the next allocation
24 shall be used by the department to fund the multicultural education
25 program created under section 79-720 in an aggregated amount up to

1 the amount used in the prior fiscal year for such purposes increased
2 by the basic allowable growth rate pursuant to section 79-1025; (vi)
3 the next allocation shall be used by the department to employ persons
4 to investigate and prosecute alleged violations as provided in
5 section 79-868 in an aggregated amount up to the amount used in the
6 prior fiscal year for such purposes increased by the basic allowable
7 growth rate pursuant to section 79-1025; and (vii) the amount
8 remaining shall be allocated, after administrative expenses, for
9 distance education equipment and incentives pursuant to sections
10 79-1336 and 79-1337.

11 (h) For fiscal year 2016-17 through fiscal year 2019-20,
12 the Education Innovation Fund shall be allocated to the Educational
13 Technology Center established pursuant to section 79-1303. The center
14 shall create a plan with partners, including but not limited to, the
15 Educational Service Unit Coordinating Council, the Nebraska
16 Educational Telecommunications Commission, Network Nebraska, and
17 representatives from school districts. The plan shall include the
18 development of an educational content or learning object repository
19 system, learning management system deployment or enhancement,
20 professional development and educational content development, and
21 directory services to allow common access to such systems. Systems
22 may be sponsored by such partners and shall be hosted on Network
23 Nebraska and made available to Network Nebraska participants. The
24 State Department of Education shall also develop a local technology
25 grant to enhance school district technology adoption and integration,

1 reserving at least one-half of the funds in the Education Innovation
2 Fund for such grants.

3 (i) For fiscal year 2020-21 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. 2. Original section 9-812, Reissue Revised Statutes
18 of Nebraska, is repealed.