LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
SECOND SESSION

## LEGISLATIVE BILL 1328

Introduced by Murman, 38.
Read first time January 17, 2024

Committee: Education

A BILL FOR AN ACT relating to schools; to amend sections 32-543, 32-811, 79-474, 79-475, 79-520, 79-534, 79-549, 79-555, 79-589, 79-590, 79-5,105, 79-5,106, and 79-1093, Reissue Revised Statutes of Nebraska, and sections 32-405, 32-618, 79-102, 79-104, 79-407, 79-413, 79-451, 79-458, 79-470, 79-473, 79-499, 79-4,108, 79-4,129, 79-501, 79-524, 79-525, 79-526, 79-547, 79-550, 79-554, 79-559, 79-564, 79-569, 79-570, 79-572, 79-576, 79-577, 79-578, 79-579, 79-580, 79-581, 79-586, 79-587, 79-588, 79-594, 79-5,104, 79-611, 79-1045, 79-1084, 79-10,114, 79-10,117, and 79-10,118, Revised Statutes Cumulative Supplement, 2022; to change provisions relating to classification of school districts; to harmonize provisions; and to repeal the original sections.

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

Section 1. Section 32-405, Revised Statutes Cumulative Supplement, 2022, is amended to read:

32-405 Any special election under the Election Act shall be held on the first Tuesday following the second Monday of the selected month unless otherwise specifically provided. No special election shall be held under the Election Act in April, May, June, October, November, or December of an even-numbered year unless it is held in conjunction with the statewide primary or general election. No special election shall be held under the Election Act in September of an even-numbered year except for a special election by a political subdivision pursuant to section 13-519 or 77-3444 to approve a property tax levy or exceed a property tax levy limitation. A special election for a Class I, II, III, IV, or V school district which is located in whole or in part in a county in which a city of the primary or metropolitan class is located may be held in conjunction with the primary or general election for a city of the primary or metropolitan class which is governed by a home rule charter.

Sec. 2. Section 32-543, Reissue Revised Statutes of Nebraska, is amended to read:

32-543 (1) If a caucus is held for nominations under section 79-549 for a Class I, II, or III school district, the board of education shall consist of six members to be elected by the registered voters of the school district at the statewide primary election. Two members shall be elected at each election for a term of six years. The members shall meet the qualifications found in section 79-543.
(2) Except as provided in subsection (1) of this section, members of the board of education of a Class I, II, or III school district shall be nominated at the statewide primary election and elected at the statewide general election. The board of education of a Class I, II, or III school district shall have no fewer than five members and no more than nine members as provided in section $79-549$ or $79-550$, and the members shall be nominated and elected at large or by district or ward as provided in
section 32-554 or nominated by district or ward and elected at large as provided in section 79-550. The number of members to be nominated at the statewide primary election and elected at the statewide general election and the terms for which they will be nominated and elected shall be determined by the election commissioner or county clerk with the aid of the elected secretary of the board of education of the district. The terms of office of members of such board shall expire on the first Thursday after the first Tuesday in January. Terms shall be staggered so that approximately one-half of the members are elected to the board at each general election for terms of four years. When it becomes necessary to establish the staggering of terms by electing members for terms of different duration at the same election, candidates receiving the greatest number of votes shall be elected for the longest terms. The members shall meet the qualifications found in section 79-543.

Sec. 3. Section 32-618, Revised Statutes Cumulative Supplement, 2022, is amended to read:

32-618 (1) The number of signatures of registered voters needed to place the name of a candidate upon the nonpartisan ballot for the general election shall be as follows:
(a) For each nonpartisan office other than members of the Board of Regents of the University of Nebraska and board members of a Class I, II, or III school district, at least ten percent of the total number of registered voters voting for Governor or President of the United States at the immediately preceding general election in the district or political subdivision in which the officer is to be elected, not to exceed two thousand;
(b) For members of the Board of Regents of the University of Nebraska, at least ten percent of the total number of registered voters voting for Governor or President of the United States at the immediately preceding general election in the regent district in which the officer is to be elected, not to exceed one thousand; and
(c) For board members of a Class I, II, or III school district, at least twenty percent of the total number of votes cast for the board member receiving the highest number of votes at the immediately preceding general election in the school district.
(2) The number of signatures of registered voters needed to place the name of a candidate for an office upon the partisan ballot for the general election shall be as follows:
(a) For each partisan office to be filled by the registered voters of the entire state, at least four thousand, and at least seven hundred fifty signatures shall be obtained in each congressional district in the state;
(b) For each partisan office to be filled by the registered voters of a county, at least twenty percent of the total number of registered voters voting for Governor or President of the United States at the immediately preceding general election within the county, not to exceed two thousand, except that the number of signatures shall not be required to exceed twenty-five percent of the total number of registered voters voting for the office at the immediately preceding general election; and
(c) For each partisan office to be filled by the registered voters of a political subdivision other than a county, at least twenty percent of the total number of registered voters voting for Governor or President of the United States at the immediately preceding general election within the political subdivision, not to exceed two thousand.

Sec. 4. Section 32-811, Reissue Revised Statutes of Nebraska, is amended to read:

32-811 (1)(a) If the names of candidates properly filed for nomination at the primary election for directors of natural resources districts, directors of public power districts, members of airport authority boards elected pursuant to sections $32-547$ to $32-549$, members of the boards of governors of community college areas, members of the boards of Class I, Class II, Class $I^{\prime} I_{\perp}$ or Class V school districts which
nominate candidates at a primary election, and officers of cities of the first or second class and cities having a city manager plan of government do not exceed two candidates for each position to be filled, any such candidates shall be declared nominated and their names shall not appear on any primary election ballots.
(b) If the number of candidates properly filed for the nomination of a political party at the primary election for any county officer elected pursuant to sections $32-517$ to $32-529$ does not exceed the number of candidates to be nominated by that party for that office, any such properly filed candidates shall be declared nominated and their names shall not appear on any primary election ballots.
(c) The official abstract of votes kept by the county or state shall show the names of such candidates with the statement Nominated Without Opposition. The election commissioner or county clerk shall place the names of such automatically nominated candidates on the general election ballot as provided in section 32-814 or 32-815.
(2) Candidates shall not appear on the ballot in the primary election for the offices listed in subsection (2) of section 32-606.
(3) If the number of candidates for delegates to a county or national political party convention are the same in number or less than the number of candidates to be elected, the names shall not appear on the primary election ballot and those so filed shall receive a certificate of election.

Sec. 5. Section 79-102, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-102 School districts in this state are classified as follows:
(1) Class I includes any school district embracing territory having a population of fewer than one thousand five hundred inhabitants that maintains both elementary and high school grades under the direction of a single school board;
(2) Class II includes any school district embracing territory having
a population of one thousand five hundred or more but fewer than five thousand inhabitants that maintains both elementary and high school grades under the direction of a single school board;
(3) (1) Class III includes any school district embracing territory having a population of five thousand or more but fewer than two hundred thousand less than one hundred fifty thousand inhabitants that maintains both elementary and high school grades under the direction of a single school board;
(4) (2) Class IV includes any school district embracing territory having a population of one hundred thousand or more inhabitants with a city of the primary class within the territory of the district that maintains both elementary and high school grades under the direction of a single school board; and
(5) (3) Class $V$ includes any school district whose employees participate in a retirement system established pursuant to the class $V$ School Employees Retirement Act and which embraces territory having a city of the metropolitan class within the territory of the district that maintains both elementary grades and high school grades under the direction of a single school board and any school district with territory in a city of the metropolitan class created pursuant to the Learning Community Reorganization Act and designated as a Class $V$ school district in the reorganization plan.

Sec. 6. Section 79-104, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-104 (1)(a) Whenever any Class $I_{\text {, }} \quad$ II, $I I I_{\perp}$ or $I V$ school district attains the number of inhabitants which requires its reclassification as a Class II, III, IV, or $V$ school district, respectively, the Commissioner of Education shall reclassify such district as a district of the next higher class.
(b) Any reclassification pursuant to subdivision (1)(a) of this section shall become effective at the beginning of the next fiscal year
after the order of the commissioner.
(2) On January 1, 2025 2019, the commissioner shall reclassify any school district to the classification required by the changes made to section 79-102 by this legislative bill Laws 2018, LB377, which reclassification shall be effective immediately.
(3) Within fifteen days after the reclassification of any school district pursuant to subsection (1) or (2) of this section, the commissioner shall notify the county clerk or election commissioner, of the county in which the greatest number of legal voters in the school district reside, of such change in classification and the effective date of such change.

Sec. 7. Section 79-407, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-407 The territory within the corporate limits of each incorporated municipality in the State of Nebraska that is not in part within the boundaries of a learning community, together with such additional territory and additions to such municipality as may be added thereto, as declared by ordinances to be boundaries of such municipality, having a population of five thousand or more but fewer than two hundred less than one hundred fifty thousand inhabitants as determined by the most recent federal decennial census or the most recent revised certified count by the United States Bureau of the Census, including such adjacent territory as now is or hereafter may be attached for school purposes, shall constitute a Class III school district, except that nothing in this section shall be construed to change the boundaries of any school district that is a member of a learning community. The school district shall be a body corporate and possess all the usual powers of a corporation for public purposes and may sue and be sued, purchase, hold, and sell such personal and real property, and control such obligations as are authorized by law.

Sec. 8. Section 79-413, Revised Statutes Cumulative Supplement,

2022, is amended to read:
79-413 (1) The State Committee for the Reorganization of School Districts created under section $79-435$ may create a new school district from other districts or change the boundaries of any district that is not a member of a learning community upon receipt of petitions signed by sixty percent of the legal voters of each district affected. If the petitions contain signatures of at least sixty-five percent of the legal voters of each district affected, the state committee shall approve the petitions.
(2) Petitions proposing to change the boundaries of existing school districts that are not members of a learning community through the transfer of a parcel of land, not to exceed six hundred forty acres, shall be approved by the state committee when the petitions involve the transfer of land between Class $I, I I_{,} I I I_{\perp}$ or IV school districts or when there would be an exchange of parcels of land between Class $I, I I_{,} \quad I I I_{\perp}$ or IV school districts and the petitions have the approval of at least sixty-five percent of the school board of each affected district.
(3)(a) Petitions proposing to create a new school district or to change the boundary lines of existing school districts that are not members of a learning community, any of which involves the transfer of more than six hundred forty acres, shall, when signed by at least sixty percent of the legal voters in each district affected, be submitted to the state committee. The state committee shall, within forty days after receipt of the petition, hold one or more public hearings and review and approve or disapprove such proposal.
(b) If there is a bond election to be held in conjunction with the petition, the state committee shall hold the petition until the bond election has been held, during which time names may be added to or withdrawn from the petitions. The results of the bond election shall be certified to the state committee.
(c) If the bond election held in conjunction with the petition is
unsuccessful, no further action on the petition is required. If the bond election is successful, within fifteen days after receipt of the certification of the bond election results, the state committee shall approve the petition and notify the county clerk to effect the changes in district boundary lines as set forth in the petitions.
(4) Any person adversely affected by the changes made by the state committee may appeal to the district court of any county in which the real estate or any part thereof involved in the dispute is located. If the real estate is located in more than one county, the court in which an appeal is first perfected shall obtain jurisdiction to the exclusion of any subsequent appeal.
(5) A signing petitioner may withdraw his or her name from a petition and a legal voter may add his or her name to a petition at any time prior to the end of the period when the petition is held by the state committee. Additions and withdrawals of signatures shall be by notarized affidavit filed with the state committee.

Sec. 9. Section 79-451, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-451 Within thirty days after the classification of the reorganized school districts by the county clerk under section 79-450, the state committee shall appoint from among the legal voters of each new school district created the number of school board members specified in the plan of reorganization. A reorganized school district shall be formed and organized and shall have a school board not later than April 1 following the last legal action, as prescribed in section 79-450, necessary to effect the changes in boundaries as set forth in the plan of reorganization, although the physical reorganization of such reorganized school district may not take effect until June 1. The first board shall be appointed on an at-large basis, and all boards shall be elected at large until such time as school districts are established as provided in section 32-554.

In appointing the first school board of a Class I, II, or III school district, the terms of approximately one-half of the members shall expire on the first Thursday after the first Tuesday in January after the first even-numbered year following their appointment and the terms of the remaining members shall expire on the first Thursday after the first Tuesday in January after the second even-numbered year following their appointment.

The school board so appointed shall proceed at once to organize in the manner prescribed by law.

Sec. 10. Section 79-458, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-458 (1) Any freeholder or freeholders, person in possession or constructive possession as vendee pursuant to a contract of sale of the fee, holder of a school land lease under section 72-232, or entrant upon government land who has not yet received a patent therefor may file a petition on or before June 1 for all other years with a board consisting of the county assessor, county clerk, and county treasurer, asking to have any tract or tracts of land described in the petition set off from an existing school district in which the land is situated and attached to a different school district which is contiguous to such tract or tracts of land if:
(a)(i) The school district in which the land is situated is a Class I, II, or III school district which has had an average daily membership in grades nine through twelve of less than sixty for the two consecutive school fiscal years immediately preceding the filing of the petition;
(ii) Such Class I, II, or III school district has voted pursuant to section 77-3444 to exceed the maximum levy established pursuant to subdivision (2)(a) of section 77-3442, which vote is effective for the school fiscal year in which the petition is filed or for the following school fiscal year;
(iii) The high school in such Class I, II, or III school district is
within fifteen miles on a maintained public highway or maintained public road of another public high school; and
(iv) Neither school district is a member of a learning community; or
(b) Except as provided in subsection (7) of this section, the school district in which the land is situated, regardless of the class of school district, has approved a budget for the school fiscal year in which the petition is filed that will cause the combined levies for such school fiscal year, except levies for bonded indebtedness approved by the voters of such school district and levies for the refinancing of such bonded indebtedness, to exceed the greater of (i) one dollar and twenty cents per one hundred dollars of taxable valuation of property subject to the levy or (ii) the maximum levy authorized by a vote pursuant to section 77-3444.

For purposes of determining whether a tract of land is contiguous, all petitions currently being considered by the board shall be considered together as a whole.
(2) The petition shall state the reasons for the proposed change and shall show with reference to the land of each petitioner: (a) That (i) the land described in the petition is either owned by the petitioner or petitioners or that he, she, or they hold a school land lease under section 72-232, are in possession or constructive possession as vendee under a contract of sale of the fee simple interest, or have made an entry on government land but have not yet received a patent therefor and (ii) such tract of land includes all such contiguous land owned or controlled by each petitioner; (b) that the conditions of subdivision (1) (a) or (1)(b) of this section have been met; and (c) that such petition is approved by a majority of the members of the school board of the district to which such land is sought to be attached.
(3) The petition shall be verified by the oath of each petitioner. Notice of the filing of the petition and of the hearing on such petition before the board constituted as prescribed in subsection (1) or (4) of
this section shall be given at least ten days prior to the date of such hearing by one publication in a legal newspaper of general circulation in each district and by posting a notice on the outer door of the schoolhouse in each district affected thereby, and such notice shall designate the territory to be transferred. Following the filing of a petition pursuant to this section, such board shall hold a public hearing on the petition and shall approve or disapprove the petition on or before July 15 following the filing of the petition based on a determination of whether the petitioner has complied with all requirements of this section. If such board approves the petition, such board shall change the boundaries of the school districts so as to set off the land described in the petition and attach it to such district pursuant to the petition with an effective date of August 15 following the filing of the petition, which actions shall cause such transfer to be in effect for levies set for the year in which such transfer takes effect.
(4) Petitions requesting transfers of property across county lines shall be addressed jointly to the county clerks of the counties concerned, and the petitions shall be acted upon by the county assessors, county clerks, and county treasurers of the counties involved as one board, with the county clerk of the county from which the land is sought to be transferred acting as chairperson of the board.
(5) Appeals may be taken from the action of such board or, when such board fails to act on the petition, on or before August 1 following the filing of the petition, to the district court of the county in which the land is located on or before August 10 following the filing of the petition, in the same manner as appeals are now taken from the action of the county board in the allowance or disallowance of claims against the county. If an appeal is taken from the action of the board approving the petition or failing to act on the petition, the transfer shall occur effective August 15 following the filing of the petition, which actions shall cause such transfer to be in effect for levies set for the year in
which such transfer takes effect, unless action by the district court prevents such transfer.
(6) This section does not apply to any school district located on an Indian reservation and substantially or totally financed by the federal government.
(7) For school districts that have approved a budget for school fiscal year 2007-08 that will cause the combined levies, except levies for bonded indebtedness approved by the voters of the school district and levies for the refinancing of such bonded indebtedness, to exceed the greater of (a) one dollar and twenty cents per one hundred dollars of taxable valuation of property subject to the levy or (b) the maximum levy authorized by a vote pursuant to section $77-3444$, the school boards of such school districts may adopt a binding resolution stating that the combined levies, except levies for bonded indebtedness approved by the voters of the school district and levies for the refinancing of such bonded indebtedness, for school fiscal year 2008-09 shall not exceed the greater of (i) one dollar and twenty cents per one hundred dollars of taxable valuation of property subject to the levy or (ii) the maximum levy authorized by a vote pursuant to section 77-3444. On or before May 9, 2008, such binding resolutions shall be filed with the Auditor of Public Accounts and the county assessors, county clerks, and county treasurers for all counties in which the school district has territory. If such binding resolution is filed on or before May 9, 2008, land shall not be set off and attached to another district pursuant to subdivision (2)(b) of this section in 2008.
(8) Nothing in this section shall be construed to detach obligations for voter-approved bonds from any tract of land.

Sec. 11. Section 79-470, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-470 (1) No district shall contract for the instruction of all of its pupils with a Class I, II, III, IV, or V school district for more
than two consecutive years.
(2) The State Committee for the Reorganization of School Districts shall dissolve and attach to a neighboring school district or districts any school district which, for two consecutive years, contracts for the instruction of all of its pupils with a Class I, II, III, IV, or V school district.
(3) The dissolution of any school district pursuant to this section shall be effected in the manner prescribed in section 79-498. When such dissolution would create extreme hardships on the pupils or the school district affected, the State Board of Education may, on application by the school board of the school district, waive the dissolution of the school district on an annual basis.
(4) Nothing in this section shall be construed as an extension of the limitations on contracting for the instruction of the pupils of a school district contained in section 79-598.

Sec. 12. Section 79-473, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-473 (1) If the territory annexed by a change of boundaries of a city or village which lies within a Class I, II, or III school district as provided in section $79-407$ has been part of a Class IV or Class $V$ school district prior to such annexation, a merger of the annexed territory with the Class I, II, or III school district shall become effective only if the merger is approved by a majority of the members of the school board of the Class IV or $V$ school district and a majority of the members of the school board of the Class I, II, or III school district within ninety days after the effective date of the annexation ordinance, except that a merger shall not become effective pursuant to this section if such merger involves a school district that is a member of a learning community.
(2) Notwithstanding subsection (1) of this section, when territory which lies within a Class I, II, or III school district or which does not
lie within a Class IV or $V$ school district is annexed by a city or village pursuant to section $79-407$, the affected school board of the city or village school district and the affected school board or boards serving the territory subject to the annexation ordinance shall meet within thirty days after the effective date of the annexation ordinance if neither school district is a member of a learning community and negotiate in good faith as to which school district shall serve the annexed territory and the effective date of any transfer. During the process of negotiation, the affected boards shall consider the following criteria:
(a) The educational needs of the students in the affected school districts;
(b) The economic impact upon the affected school districts;
(c) Any common interests between the annexed or platted area and the affected school districts and the community which has zoning jurisdiction over the area; and
(d) Community educational planning.

If no agreement has been reached within ninety days after the effective date of the annexation ordinance, the territory shall transfer to the school district of the annexing city or village ten days after the expiration of such ninety-day period unless an affected school district petitions the district court within the ten-day period and obtains an order enjoining the transfer and requiring the boards of the affected school districts to continue negotiation. The court shall issue the order upon a finding that the affected board or boards have not negotiated in good faith based on one or more of the criteria listed in this subsection. The district court shall require no bond or other surety as a condition for any preliminary injunctive relief. If no agreement is reached after such order by the district court and additional negotiations, the annexed territory shall become a part of the school district of the annexing city or village.
(3) Whenever an application for approval of a final plat or replat is filed for territory which lies within the zoning jurisdiction of a city of the first or second class and does not lie within the boundaries of a Class IV or $V$ school district, the boundaries of a school district that is a member of a learning community, the boundaries of any county in which a city of the metropolitan class is located, or the boundaries of any county that has a contiguous border with a city of the metropolitan class, the affected school board of the school district within the city of the first or second class or its representative and the affected board or boards serving the territory subject to the final plat or replat or their representative shall meet within thirty days after such application and negotiate in good faith as to which school district shall serve the platted or replatted territory and the effective date of any transfer based upon the criteria prescribed in subsection (2) of this section.

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

For purposes of this subsection, plat and replat apply only to (a) vacant land, (b) land under cultivation, or (c) any plat or replat of land involving a substantive change in the size or configuration of any
lot or lots.
(4) Notwithstanding any other provisions of this section, all negotiated agreements relative to boundaries or to real or personal property of school districts reached by the affected school boards shall be valid and binding, except that such agreements shall not be binding on reorganization plans pursuant to the Learning Community Reorganization Act.

Sec. 13. Section 79-474, Reissue Revised Statutes of Nebraska, is amended to read:

79-474 Whenever an existing school district or a part thereof is merged into a Class I, II, or III school district under the provisions of section 79-407 or 79-473, the property included in such school district or part thereof which is merged into the Class I, II, or III school district shall continue to be liable for any bonded indebtedness incurred by the school district of which it was a part prior to such merger and the property included in such school district or part thereof which is merged into the Class I, II, or III school district shall not be liable for any bonded indebtedness incurred by the Class I, II, or III school district prior to such merger.

Sec. 14. Section 79-475, Reissue Revised Statutes of Nebraska, is amended to read:

79-475 Whenever an existing school district, or a part thereof, is merged into a Class $I, I I_{, ~}^{\text {, }} \mathrm{III}_{\perp}$ or $I V$ school district under the provisions of section $79-407,79-408$, or $79-473$, such merger shall be effective on July 1 immediately following the effective date of the change of city or village boundaries which caused the merger pursuant to section 79-407, 79-408, or 79-473.

Sec. 15. Section 79-499, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-499 (1) If the fall school district membership or the average daily membership of an existing Class I, II, or III school district shows
fewer than forty-five students in grades kindergarten through twelve, the district shall submit a plan for developing cooperative programs with other school districts, including the sharing of curriculum and certificated and noncertificated staff, to the state Committee for the Reorganization of School Districts. The cooperative program plan shall be submitted by the school district by September 1 of the year following such fall school district membership or average daily membership report. A cooperative program plan shall not be required if there is no school within fifteen miles from such district on a reasonably improved highway. The state committee shall review the plan and provide advice and communication to such school district and other school districts.
(2) If for two consecutive years the fall school district membership, or for two consecutive years the average daily membership, of an existing Class I, II, or III school district is fewer than forty-five students in grades kindergarten through twelve as determined by the Commissioner of Education, such school district shall, except as provided in subsection (3) of this section, be dissolved pursuant to the procedures described in subdivision (3)(b) of this section through the order of the state committee if the school district is within fifteen miles on a reasonably improved highway of another school.

This subsection does not apply to any school district located on an Indian reservation and substantially or totally financed by the federal government.
(3)(a) Any Class I, II, or III school district which is the only public school district in the county and which has a fall school district membership or an average daily membership of fewer than forty-five students in grades kindergarten through twelve shall be subject to this subsection until such school district reaches a fall school district membership or an average daily membership in grades kindergarten through twelve of at least forty-five students or such school district dissolves. Such school district may continue to operate if:
(i) The plan submitted pursuant to subsection (1) of this section provides a broad-based curriculum as determined by the state committee; and
(ii) At a districtwide election held the second Tuesday of November by whatever means the county conducts balloting, in the second consecutive school year that the fall school district membership for grades kindergarten through twelve is fewer than forty-five students, a majority of voters approve a ballot issue to continue to operate the school district for the immediately following four school years. If such ballot issue succeeds and the school district remains subject to this subsection, such school board or board of education shall conduct a public hearing and, after receiving testimony at the public hearing, vote whether to continue to operate the school district every four years thereafter. If such ballot issue or such vote of the school board or board of education fails, the school district shall be dissolved pursuant to the procedures described in subdivision (3)(b) of this section.
(b) The state committee shall dissolve the school district and attach the territory to other school districts based on the preferences of each landowner if such preference is provided in the time and manner required by the state committee and would transfer such parcels to a school district with a boundary contiguous to the school district being dissolved. Landowners submitting such preferences shall sign a statement that the district of preference is the district which children who might reside on the property, at the time of the dissolution or in the future, would be expected to attend. For property for which a preference is not provided in the time and manner required by the state committee, the state committee shall transfer such property to one or more of the school districts with boundaries contiguous to the district being dissolved in a manner that will best serve children who might reside on such property, at the time of the dissolution or in the future, and that will, to the extent possible, create compact and contiguous districts.
(4) For purposes of this section, when calculating fall school district membership or average daily membership, a resident school district as defined in section 79-233 shall not count students attending an option district as defined in such section and a Class $I$, II, or III school district shall not count foreign exchange students and nonresident students who are wards of the court or state.

Sec. 16. Section 79-4,108, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-4,108 (1) Unified system means two or more Class 1 , II, or III school districts participating in an interlocal agreement under the Interlocal Cooperation Act with approval from the State Committee for the Reorganization of School Districts. The interlocal agreement shall provide:
(a) For a minimum term of three school years;
(b) That all property tax and state aid resources shall be shared by the unified system;
(c) That a board composed of school board members, with at least one school board member from each district, shall determine the general fund levy, within the limitations placed on school districts and multipledistrict school systems pursuant to section 77-3442, to be applied in all participating districts and shall determine the distribution of property tax and state aid resources within the unified system. For purposes of section 77-3442, the multiple-district school system shall include all of the districts participating in the unified system;
(d) That certificated staff will be employees of the unified system. For any certificated staff employed by the unified system, tenure and seniority as of the effective date of the interlocal agreement shall be transferred to the unified system and tenure and seniority provisions shall continue in the unified system except as provided in sections 79-850 to 79-858. If a district withdraws from the unified system or if the interlocal agreement expires and is not renewed, certificated staff
employed by a participating district immediately prior to the unification shall be reemployed by the original district and tenure and seniority as of the effective date of the withdrawal or expiration shall be transferred to the original district. The certificated staff hired by the unified system but not employed by a participating district immediately prior to the unification shall be subject to the reduction-in-force policy of the unified system;
(e) That the participating districts shall pay obligations of the unified system pursuant to sections $79-850$ to $79-858$ on a pro rata basis based on the adjusted valuations if a district withdraws from the unified system or if the interlocal agreement expires and is not renewed; and
(f) The permissible method or methods for accomplishing the partial or complete termination of the interlocal agreement and for disposing of assets and liabilities upon such partial or complete termination.

Additional provisions in the interlocal agreement shall be determined by the participating districts and shall encourage cooperation within the unified system.
(2) Application for unification shall be made to the state committee. The application shall contain a copy of the interlocal agreement signed by the president of each participating school board. The state committee shall approve or disapprove applications for unification within forty days after receipt of the application. If the interlocal agreement complies with subsection (1) of this section and all school boards of the participating districts have approved the interlocal agreement, the state committee shall approve the application. Unification agreements shall be effective on June 1 following approval from the state committee for status as a unified system or on the date specified in the interlocal agreement, except that the date shall be on or after June 1 and on or before September 1 for a specified year. The board established in the interlocal agreement may begin meeting any time after the application has been approved by the state committee.
(3) Upon granting the application for unification, the State Department of Education shall recognize the unified system as a single Class I, II, or III district for state aid, budgeting, accreditation, enrollment of students, state programs, and reporting. Except as otherwise required by the department, the unified system shall submit a single report document for each of the reports required of school districts pursuant to Chapter 79 and shall submit a single budget document pursuant to the Nebraska Budget Act and sections 13-518 to 13-522.
(4) The school districts participating in a unified system shall retain their separate identities for all purposes except those specified in this section, and participation in a unified system shall not be considered a reorganization.

Sec. 17. Section 79-4,129, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-4,129 (1) Within thirty days after the classification of the reorganized school districts by the county clerk under section 79-4,128, the state committee shall appoint from among the legal voters of each new school district created the number of school board members specified in the plan of reorganization. A reorganized school district shall be formed and organized and shall have a school board not later than April 1 following the last legal action, as prescribed in section 79-4,128, necessary to effect the changes in boundaries as set forth in the plan of reorganization, although the physical reorganization of such reorganized school district shall take effect July 1 following the classification of the reorganized school districts under section 79-4,128. The first board shall be appointed on an at-large basis, and all boards shall be elected at large until such time as election districts are established as provided in section 32-554.
(2) In appointing the first school board of a Class I, II, or III school district, the terms of approximately one-half of the members shall
expire on the first Thursday after the first Tuesday in January after the first even-numbered year following their appointment and the terms of the remaining members shall expire on the first Thursday after the first Tuesday in January after the second even-numbered year following their appointment. Thereafter all Class I, II, or III district school boards shall be elected to terms of four years.
(3) In appointing the first school board of a Class IV school district, the members shall be appointed so that the terms of three members shall expire on the third Monday in May of the first odd-numbered year following their appointment and the terms of four members shall expire on the third Monday in May of the second odd-numbered year following their appointment. Thereafter all Class IV district school boards shall be elected to terms of four years.
(4) In appointing the first school board of a Class $V$ school district after a reorganization under this section with a nine-member board serving terms of four years, the terms of the members shall expire as provided in section 32-545. All Class V district school boards shall be elected to terms of four years.
(5) The school boards appointed under this section shall proceed at once to organize in the manner prescribed by law.

Sec. 18. Section 79-501, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-501 The school board or board of education of a Class $I_{\text {, }} \mathrm{II}_{\text {, }} \quad \mathrm{III}_{\perp}$ or IV school district shall have the care and custody of the schoolhouse and other property of the district and shall have authority to hire a superintendent and the required number of teachers and other necessary personnel.

Sec. 19. Section 79-520, Reissue Revised Statutes of Nebraska, is amended to read:

79-520 The board of education of a Class I, II, or III school district has power to select its own officers and make its own rules and
regulations not inconsistent with any statute applicable to such district. No member of the board, except the secretary, shall accept or receive any compensation for services performed in discharging the duties of his or her office.

Sec. 20. Section 79-524, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-524 The school board of any Class I, II, III $I_{\perp}$ or IV school district shall establish a permanent and continuing census or enumeration of school children in the school district. The list in writing of the names of the children and taxpayers shall not be required to be reported, but the names of all of the children belonging to such school district, from birth through twenty years of age, shall instead be kept in a depository maintained by such school district and subject to inspection at all times. Such record shall not or need not include the names of all the taxpayers in the district.

Sec. 21. Section 79-525, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-525 The school board or board of education of a Class $I_{\text {, }} \quad \mathrm{II}, \mathrm{III}_{\perp}$ or IV school district shall (1) provide the necessary appendages for the schoolhouse, (2) keep the same in good condition and repair during the time school is taught in the schoolhouse, and (3) keep an accurate account of all expenses incurred. Such account shall be prepared by the secretary, audited by the president and treasurer, and, on their written order, paid out of the general school fund.

Sec. 22. Section 79-526, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-526 (1) The school board or board of education of a Class I, II, $I I I_{\perp}$ or $I V$ school district has responsibility for the general care and upkeep of the schools, shall provide the necessary supplies and equipment, and, except as otherwise provided, has the power to cause pupils to be taught in such branches and classified in such grades or
departments as may seem best adapted to a course of study which the board shall establish with the consent and advice of the State Department of Education. The board shall make provision for pupils that may enter at any time during the school year. The board shall have a record kept of the advancement of all pupils in each branch of study. The board shall make rules and regulations as it deems necessary for the government and health of the pupils and devise any means as may seem best to secure the regular attendance and progress of children at school.
(2) The school board may make expenditures for supplies, equipment, travel, meals, and lodging for school programs and activities, including extracurricular and interscholastic activities, appropriate for the benefit, government, and health of pupils enrolled in the school district.

Sec. 23. Section 79-534, Reissue Revised Statutes of Nebraska, is amended to read:

79-534 All Class I, II, or III school districts shall be under the direction and control of the boards of education elected pursuant to section 32-543.

Sec. 24. Section 79-547, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-547 (1) Except as otherwise provided in section 79-550, the school board or board of education of a Class I, II, or III school district shall consist of six members.
(2) In addition to the members specified in subsection (1) of this section, such school boards or boards of education may include one or more student members selected pursuant to section 79-559.

Sec. 25. Section 79-549, Reissue Revised Statutes of Nebraska, is amended to read:

79-549 (1) The school board of any Class I, II, or III school district that is a member of a learning community may place before the legal voters of the school district the issue of whether to begin to have
a caucus for nominations by adopting a resolution to place the issue before the legal voters and certifying the issue to the election commissioner or county clerk prior to September 1 for placement on the ballot at the next statewide general election. The legal voters of the school district may also have the issue placed on the ballot at the statewide general election by circulating a petition and gathering the signatures of the legal voters residing within the school district at least equal to seven percent of the number of persons registered to vote in the school district at the last statewide primary election. The petitions shall be filed with the election commissioner or county clerk for signature verification on or before August 15 prior to a statewide general election. If the election commissioner or county clerk determines that the appropriate number of legal voters signed the petition, he or she shall place the issue on the ballot for the next statewide general election. The issue shall not be placed on the ballot again within four years after voting on the issue at a statewide general election.
(2) Any Class I, II, or III school district that nominated school board members by caucus pursuant to this section as it existed immediately before July 14,2006 , shall continue such procedure until the legal voters of the district vote not to continue to have a caucus for nominations pursuant to subsection (3) of this section. A caucus shall be held pursuant to subsection (5) of this section not less than seventy days prior to the holding of the election to nominate two or more candidates for each vacancy to be voted upon at the election to be held in conjunction with the statewide primary election pursuant to subsection (1) of section $32-543$. No candidate nominated shall have his or her name placed upon the ballot for the general election unless, not more than ten days after his or her nomination, he or she files with the secretary of the school board a written statement accepting the nomination. The secretary of the school board shall certify the names of the candidates to the election commissioner or county clerk who shall prepare the
official ballot listing the names as certified and without any area designation. All legal voters residing within the school district shall be permitted to vote at such election.
(3) The school board may place before the legal voters of the school district the issue of whether to continue to have a caucus for nominations by adopting a resolution to place the issue before the legal voters and certifying the issue to the election commissioner or county clerk prior to September 1 for placement on the ballot at the next statewide general election. The legal voters of the school district may also have the issue placed on the ballot at the statewide general election by circulating a petition and gathering the signatures of the legal voters residing within the school district at least equal to seven percent of the number of persons registered to vote in the school district at the last statewide primary election. The petitions shall be filed with the election commissioner or county clerk for signature verification on or before August 15 prior to a statewide general election. If the election commissioner or county clerk determines that the appropriate number of legal voters signed the petition, he or she shall place the issue on the ballot for the next statewide general election. The issue shall not be placed on the ballot again within four years after voting on the issue at a statewide general election.
(4) If the legal voters vote not to continue to have a caucus, the school board shall determine the number of members to be nominated and elected as provided in subsection (2) of section $32-543$. The terms of the members in office at the time of the vote shall be extended to the first Thursday after the first Tuesday in January after the expiration of their terms. At the first general election following the vote, a number of members receiving the greatest number of votes shall be elected for a term of four years and a number of members receiving the next greatest number of votes shall be elected for a term of two years so that approximately one-half of the school board members are elected every two
years.
(5) A school district which uses a caucus for nominations shall develop rules and procedures for conducting the caucus which will ensure:
(a) Publication of the rules and procedures by multiple sources if necessary so that every resident of the school district has access to information on the process for placing a name in nomination and voting at the caucus;
(b) Facilities for voting at the caucus which comply with the federal Americans with Disabilities Act of 1990 and which will accommodate a reasonably anticipated number of legal voters;
(c) Election security which will provide for a fair and impartial election, including the secrecy of the ballot, one vote per legal voter, and only legal voters of the school district being allowed to vote;
(d) Equal access to all legal voters of the school district, including the presence of an interpreter at the caucus at the expense of the school district and ballots for the blind and visually impaired to provide access to the process by all legal voters of the school district;
(e) Adequate time and opportunity for legal voters of the school district to exercise their right to vote; and
(f) Notification of nomination to the candidates and to the secretary of the school board.

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

Sec. 26. Section 79-550, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-550 (1) The school board of a Class I, II, or III school district may, by resolution adopted in an odd-numbered year, provide for a change in the number of members on the school board to a minimum of five members and a maximum of nine members to be effective at the beginning of the term of office for school board members elected at the next statewide general election. The school board shall include in the resolution:
(a) A statement of the change in number of members to be added to or eliminated from the school board;
(b) A statement that the change does not take effect until the beginning of the term of office for school board members elected at the next statewide general election;
(c) If the members are not nominated or elected by district or ward in the school district:
(i) If the change in number adds members to the school board, a statement of the number of members to be elected at the next statewide general election, including the members whose terms are expiring and the additional members, and the number of such members to be elected to fouryear terms and the number of such members to be elected to two-year terms so that approximately one-half of the total number of members are elected at each statewide general election. The members receiving the highest number of votes shall be elected to four-year terms, and the members receiving the next highest number of votes shall be elected to two-year terms; and
(ii) If the change in number decreases the number of members on the school board, a statement of the number of members to be elected at the next statewide general election, if any, and at the subsequent statewide general election, if necessary, and the number of such members to be elected at such elections to four-year terms and the number of such members to be elected at such elections to two-year terms so that approximately one-half of the total number of members are elected at each statewide general election. The members receiving the highest number of votes shall be elected to four-year terms, and the members receiving the next highest number of votes shall be elected to two-year terms; and
(d) If the members are nominated or elected by district or ward in the school district:
(i) The changes to the boundaries of districts or wards;
(ii) A statement that the changes to the boundaries are effective
for purposes of nominating or electing, as applicable, members to the school board beginning with the next statewide primary and general elections but that the changes in boundaries are not effective for purposes of representation until the beginning of the term of office for school board members elected at the next statewide general election;
(iii) A statement of which districts or wards, as changed, are on the ballot at the next statewide primary or general election, as applicable, and whether the members elected from such districts or wards are being elected for four-year terms or two-year terms;
(iv) A statement specifying the newly established districts which each member will represent for the remainder of his or her term, if necessary;
(v) If the change in number adds members to the school board, a statement of the number of members to be elected at the next statewide general election, including the members whose terms are expiring and the additional members, and the districts or wards of such members to be elected to four-year terms and the districts or wards of such members to be elected to two-year terms so that approximately one-half of the total number of members are elected at each statewide general election; and
(vi) If the change in number decreases the number of members on the school board, a statement of the number of members to be elected at the next statewide general election, if any, and at the subsequent statewide general election, if necessary, and the districts or wards of such members to be elected at such elections to four-year terms and the districts or wards of such members to be elected at such elections to two-year terms so that approximately one-half of the total number of members are elected at each statewide general election.
(2) If the members of the school board of a Class I, II, or III school district are nominated and elected by district or ward, the board may by resolution provide for the nomination of the members by district or ward and the election of the members at large. If the members are
nominated by district or ward and elected at large, the board may by resolution provide for the nomination and election of the members by district or ward.
(3) Any Class I, II, or III school district which has a nine-member school board on January 1, 2015, may continue to have a nine-member school board without complying with the requirements of this section.

Sec. 27. Section 79-554, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-554 In all meetings of a school board of a Class I, II, or III school district, a majority of the members shall constitute a quorum for the transaction of business. Regular meetings shall be held on or before the third Monday of every month. All meetings of the board shall be subject to the Open Meetings Act. Special meetings may be called by the president or any two members, but all members shall have notice of the time and place of meeting. If a school district is participating in an approved unified system as provided in section $79-4,108$, regular meetings of such district's school board shall be held at least twice during the school year.

Sec. 28. Section 79-555, Reissue Revised Statutes of Nebraska, is amended to read:

79-555 The regular meetings of the board of education of a Class $I_{\text {, }}$ II, or III school district shall be held as provided in section 79-554. Special meetings may be held as circumstances may demand, and all meetings of the board shall be open to the public.

Sec. 29. Section 79-559, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-559 (1) The school board or board of education of any Class $I_{\text {, }}$ II, $I^{\prime} I_{\perp}$ or IV school district may include at least one nonvoting member who is a public high school student from the district. If the board elects to include such a nonvoting student member, the student member shall serve for a term of one year, beginning on September 1, and shall
be the student body or student council president, the senior class representative, or a representative elected from and by the entire student body, as designated by the voting members of the board.
(2) Any nonvoting student member of the board has the privilege of attending all open meetings of the board but shall be excluded from executive sessions.

Sec. 30. Section 79-564, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-564 At the first meeting of each school board or board of education elected in a Class I, II, or III school district, and annually thereafter, the board shall elect from among its members a president and vice president. The board shall also elect a secretary who need not be a member of the board. If the secretary is a member of the board, an assistant secretary may be named and his or her duties and compensation set by the board.

Sec. 31. Section 79-569, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-569 The president of the school board of a Class $\operatorname{I,}$ II, III $_{\perp}$ or IV school district shall: (1) Preside at all meetings of the district; (2) countersign all orders upon the treasury for money to be disbursed by the district and all warrants of the secretary on the county treasurer for money raised for district purposes or apportioned to the district by the county treasurer; (3) administer the oath to the secretary and treasurer of the district when such an oath is required by law in the transaction of the business of the district; and (4) perform such other duties as may be required by law of the president of the board. He or she is entitled to vote on any issue that may come before any meeting.

Sec. 32. Section 79-570, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-570 If at any district meeting of a Class $\mathrm{I}_{\text {, }} \mathrm{II}$, $\mathrm{III}_{\perp}$ or IV school district any person conducts himself or herself in a disorderly
manner and persists in such conduct after notice by the president or person presiding, the president or person presiding may order such person to withdraw from the meeting and, if the person refuses, may order any person or persons to take such person into custody until the meeting is adjourned.

Sec. 33. Section 79-572, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-572 The president of a Class I, II, III $_{\perp}$ or IV school district shall appear for and on behalf of the district in all suits brought by or against the district.

Sec. 34. Section 79-576, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-576 The secretary of a Class I, II, III $_{\perp}$ or IV school district shall be clerk of the school board and of all meetings when present, but if he or she is not present, the school board may appoint a clerk for the time being, who shall certify the proceedings to the secretary to be recorded by him or her.

Sec. 35. Section 79-577, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-577 The secretary of a Class I, II, III $_{\perp}$ or IV school district shall (1) record all proceedings of the district in a book furnished by the district to be kept for that purpose, (2) preserve copies of all reports, and (3) safely preserve and keep all books and papers belonging to the office.

Sec. 36. Section 79-578, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-578 The secretary of a Class I, II, III $_{\perp}$ or IV school district shall take, or cause to be taken by some person appointed for the purpose by a majority vote of the school board, the census of the school district and then make or cause to be made a list in writing of the names of all the children belonging to such district, from birth through twenty years
of age, together with the names of all the taxpayers in the district. A copy of the list, verified by oath of the person taking such census or by affidavit appended to or endorsed on the list, setting forth that it is a correct list of the names of all children belonging in the district from birth through twenty years of age and that it reflects such information as of June 30, shall be maintained as provided in section 79-524.

Sec. 37. Section 79-579, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-579 Whenever a secretary or president of the school board of a Class I, II, III or $I V$ school district refuses to sign orders on the treasurer or the treasurer thinks best to refuse the payment of orders drawn upon him or her, the difficulty shall be referred for adjudication to the county attorney, who shall proceed at once to investigate the matter. If the county attorney finds that the officer complained of refuses through contumacy or for insufficient reasons, the county attorney, on behalf of the district, shall apply to the proper court for a writ of mandamus to compel the officer to perform his or her duty.

Sec. 38. Section 79-580, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-580 The secretary of the school board or board of education of each Class I, II, or III school district shall, within ten days after any regular or special meeting of the board, publish one time in a legal newspaper published in or of general circulation in such district a list of the claims, arising on contract or tort, allowed at the meeting. The list shall set forth the name of the claimant and the amount and nature of the claim allowed, to consist of not more than ten words in stating the nature of each such claim. The secretary shall likewise cause to be published a concise summary of all other proceedings of such meetings. Publication of such claims or proceedings in a legal newspaper shall not be required unless the publication can be done at an expense not exceeding the rates provided by law for the publication of proceedings of
county boards.
Sec. 39. Section 79-581, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-581 The secretary of any school board or board of education of a Class I, II, or III school district failing or neglecting to comply with the provisions of section $79-580$ shall be guilty of a Class $V$ misdemeanor. In the discretion of the court, the judgment of conviction may provide for the removal from office of such secretary for such failure or neglect.

Sec. 40. Section 79-586, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-586 The treasurer of each Class $I_{\text {, }}$ II, $I I I_{\perp}$ or IV school district shall, within ten days after his or her election, execute to the county and file with the secretary a bond or evidence of equivalent insurance coverage of not less than five hundred dollars in any instance and not more than double the amount of money, as nearly as can be ascertained, to come into his or her hands as treasurer at any one time, which bond shall be signed by either a personal surety or a surety company or companies of recognized responsibility as surety or sureties, to be approved by the president and secretary, conditioned for the faithful discharge of the duties of the office. The bond when approved or evidence of equivalent insurance coverage shall be filed by the secretary in the office of the county treasurer of the county in which the school district is situated. If the treasurer fails to execute such bond or provide evidence of such insurance coverage, the office shall be declared vacant by the school board or board of education and the board shall immediately appoint a treasurer who shall be subject to the same conditions and possess the same powers as if elected to that office. The treasurer shall have no power or authority to withdraw or disburse the money of the district prior to filing the bond or evidence of equivalent insurance coverage provided for in this section.

Sec. 41. Section 79-587, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-587 The treasurer of each Class $I_{\text {, }} \quad$ II, $I I I_{\perp}$ or IV school district shall apply for and receive from the county treasurer all school money apportioned to or collected for the district by the county treasurer, upon order of the secretary countersigned by the president. The treasurer shall pay out all money received by him or her, on the order of the secretary countersigned by the president of such district.

Sec. 42. Section 79-588, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-588 The treasurer of a Class $I, I I_{,}$III ${ }_{\perp}$ or IV school district shall keep a record in which the treasurer shall enter all the money received and disbursed by him or her, specifying particularly (1) the source from which money has been received, (2) to what fund it belongs, and (3) the person or persons to whom and the object for which the same has been paid out. The treasurer shall present to the district, at each annual meeting, a report in writing containing a statement of all money received during the preceding year and of the disbursement made with the items of such disbursements and exhibit the vouchers therefor. At the close of the treasurer's term of office, he or she shall settle with the school board and shall hand over to his or her successor the records and all receipts, vouchers, orders, and papers coming into his or her hands as treasurer of the district, together with all money remaining in his or her hands as such treasurer.

Sec. 43. Section 79-589, Reissue Revised Statutes of Nebraska, is amended to read:

79-589 In a Class I, II, or III school district which lies outside of the corporate limits of any city or village or of which more than onehalf is geographically within a city of the metropolitan class, the board of education shall elect one of its members, other than the secretary, as treasurer of the school district and the provisions of section 79-590
shall not apply to the selection of a treasurer of such a district. The treasurer shall prepare and submit in writing a monthly report of the state of the finances of the district and pay school money only upon warrants signed by the president of the board or, in the president's absence, by the vice president, and countersigned by the secretary. The treasurer shall give a bond or evidence of equivalent insurance coverage payable to the school district in such sum as may be fixed by the board. Such bond shall be signed by one or more surety companies of recognized responsibility. The cost of such bond or insurance coverage shall be paid by the school district.

Sec. 44. Section 79-590, Reissue Revised Statutes of Nebraska, is amended to read:

79-590 The board of education of a Class I, II, or III school district may employ a treasurer for such district who shall be paid a salary, to be fixed by the board, of not to exceed one thousand two hundred dollars per annum. If the board does not employ such a treasurer, the city treasurer or deputy city treasurer of the city which is within such district shall be ex officio treasurer of the school district. He or she shall attend all meetings of the board when required so to do, prepare and submit in writing a monthly report of the state of the district's finances, and pay school money only upon warrants signed by the president of the board or, in the president's absence, by the vice president, and countersigned by the secretary. If the city treasurer or his or her deputy acts as ex officio treasurer of the school district, he or she shall be paid for such services by the school district a sum to be fixed by the board. The treasurer of such district, or the city treasurer or deputy city treasurer acting as ex officio treasurer, shall give a bond or evidence of equivalent insurance coverage payable to the county in such sum as may be fixed by the board of education. Such bond shall be signed by one or more surety companies of recognized responsibility. The cost of such bond or insurance coverage shall be paid by the school
district.
Sec. 45. Section 79-594, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-594 The school board in a Class I, II, III\& or IV school district may also elect at any regular meeting one superintendent of public instruction with such salary as the board deems best and may enter into contract with him or her at its discretion, for a term not to exceed three years.

Sec. 46. Section 79-5,104, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-5,104 The school board or board of education of any Class $I_{\text {, }}$ II, or III school district may, in its discretion, pay the regular school tuition for any pupil residing in such school district and attending a school outside such school district when, in the opinion of the board, the best interests of the pupil or the school district may so require.

Sec. 47. Section 79-5,105, Reissue Revised Statutes of Nebraska, is amended to read:

79-5,105 If the board of education of a Class I, II, III, IV, or V school district finds it desirable that children of school age or any grade or grades thereof residing on federal property situated in the vicinity of a city of the metropolitan class be given instruction outside the boundaries of such district of the character provided by law for children within the district, under the direction and control of the board of education and that the same is not detrimental to the interests of the school district, the board of education may enter into a contract with the federal government or any agency thereof to provide supervisory services in the construction of school facilities and to maintain and operate schools for the children of residents of such federal installations.

Sec. 48. Section 79-5,106, Reissue Revised Statutes of Nebraska, is amended to read:

79-5,106 The provisions of giving instructions outside a Class $I_{\text {, }}$ II, III, IV, or V school district as provided in section 79-5,105 shall not apply where existing facilities are now available.

Sec. 49. Section 79-611, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-611 (1) The school board of any school district shall provide free transportation, partially provide free transportation, or pay an allowance for transportation in lieu of free transportation as follows:
(a) When a student attends an elementary school in his or her own school district and lives more than four miles from such elementary school as measured by the shortest route that must actually and necessarily be traveled by motor vehicle to reach the student's residence;
(b) When a student is required to attend an elementary school outside of his or her own school district and lives more than four miles from such elementary school as measured by the shortest route that must actually and necessarily be traveled by motor vehicle to reach the student's residence;
(c) When a student attends a secondary school in his or her own Class I, II, or III school district and lives more than four miles from such secondary school as measured by the shortest route that must actually and necessarily be traveled by motor vehicle to reach the student's residence. This subdivision does not apply to any elementaryonly school district that merged with a high-school-only school district to form a new Class I, II, or III school district on or after January 1, 1997, and before June 16, 2006; and
(d) When a student, other than a student in grades ten through twelve in a Class $V$ school district, attends an elementary or junior high school in his or her own Class $V$ school district and lives more than four miles from such elementary or junior high school as measured by the shortest route that must actually and necessarily be traveled by motor
vehicle to reach the student's residence.
(2)(a) For school years prior to school year 2017-18 and as required pursuant to subsection (3) of section 79-241, the school board of any school district that is a member of a learning community shall provide free transportation for a student who resides in such learning community and attends school in such school district if (i) the student is transferring pursuant to the open enrollment provisions of section 79-2110, qualifies for free or reduced-price lunches, lives more than one mile from the school to which he or she transfers, and is not otherwise disqualified under subdivision (2)(c) of this section, (ii) the student is transferring pursuant to the open enrollment provisions of section 79-2110, is a student who contributes to the socioeconomic diversity of enrollment at the school building he or she attends, lives more than one mile from the school to which he or she transfers, and is not otherwise disqualified under subdivision (2)(c) of this section, (iii) the student is attending a focus school or program and lives more than one mile from the school building housing the focus school or program, or (iv) the student is attending a magnet school or program and lives more than one mile from the magnet school or the school housing the magnet program.
(b) For purposes of this subsection, student who contributes to the socioeconomic diversity of enrollment at the school building he or she attends has the definition found in section 79-2110. This subsection does not prohibit a school district that is a member of a learning community from providing transportation to any intradistrict student.
(c) For any student who resides within a learning community and transfers to another school building pursuant to the open enrollment provisions of section 79-2110 and who had not been accepted for open enrollment into any school building within such school district prior to September 6, 2013, the school board is exempt from the requirement of subdivision (2)(a) of this section if (i) the student is transferring to another school building within his or her home school district or (ii)
the student is transferring to a school building in a school district that does not share a common border with his or her home school district.
(3) The transportation allowance which may be paid to the parent, custodial parent, or guardian of students qualifying for free transportation pursuant to subsection (1) or (2) of this section shall equal two hundred eighty-five percent of the mileage rate provided in section 81-1176, multiplied by each mile actually and necessarily traveled, on each day of attendance, beyond which the one-way distance from the residence of the student to the school exceeds three miles. Such transportation allowance does not apply to students residing in a learning community who qualify for free or reduced-price lunches.
(4) Whenever students from more than one family travel to school in the same vehicle, the transportation allowance prescribed in subsection (3) of this section shall be payable as follows:
(a) To the parent, custodial parent, or guardian providing transportation for students from other families, one hundred percent of the amount prescribed in subsection (3) of this section for the transportation of students of such parent's, custodial parent's, or guardian's own family and an additional five percent for students of each other family not to exceed a maximum of one hundred twenty-five percent of the amount determined pursuant to subsection (3) of this section; and
(b) To the parent, custodial parent, or guardian not providing transportation for students of other families, two hundred eighty-five percent of the mileage rate provided in section $81-1176$ multiplied by each mile actually and necessarily traveled, on each day of attendance, from the residence of the student to the pick-up point at which students transfer to the vehicle of a parent, custodial parent, or guardian described in subdivision (a) of this subsection.
(5) When a student who qualifies under the mileage requirements of subsection (1) of this section lives more than three miles from the location where the student must be picked up and dropped off in order to
access school-provided free transportation, as measured by the shortest route that must actually and necessarily be traveled by motor vehicle between his or her residence and such location, such school-provided transportation shall be deemed partially provided free transportation. School districts partially providing free transportation shall pay an allowance to the student's parent or guardian equal to two hundred eighty-five percent of the mileage rate provided in section 81-1176 multiplied by each mile actually and necessarily traveled, on each day of attendance, beyond which the one-way distance from the residence of the student to the location where the student must be picked up and dropped off exceeds three miles.
(6) The board may authorize school-provided transportation to any student who does not qualify under the mileage requirements of subsection (1) of this section and may charge a fee to the parent or guardian of the student for such service. No transportation payments shall be made to a family for mileage not actually traveled by such family. The number of days the student has attended school shall be reported monthly by the teacher to the board of such public school district.
(7) No more than one allowance shall be made to a family irrespective of the number of students in a family being transported to school.
(8) No student shall be exempt from school attendance on account of distance from the school.

Sec. 50. Section 79-1045, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-1045 The county treasurer shall, within twenty days after receiving the apportionment under section 79-1044, apportion the amount as follows: (1) To each school district lying wholly or partly within any such forest reserve, an amount equal to the actual per pupil cost for each pupil actually residing in that part of the district which is within such forest reserve, but this apportionment per pupil shall not exceed
the average annual cost per pupil, based on average daily attendance within that county; and (2) of the remaining amount, one-fifth to the public road fund of the county, one-fifth equally to the several school districts in the county, and the remaining three-fifths to the several school districts in the county pro rata according to the enumeration of scholars last returned by the districts. The county treasurer shall, with the approval of the county board, have authority to retain the money to be allocated under this subdivision to Class I, II, or III school districts of the county to be used for the establishment and support of a county circulating library for Class $I$, II, or III school districts. A school district which has failed to sustain a school taught by a legally qualified teacher for the length of time required by law shall not be entitled to receive any portion of the Forest Reserve Fund.

Sec. 51. Section 79-1084, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-1084 The school board of a Class I, II, or III school district shall annually, on or before September 30, report in writing to the county board and, for years prior to 2017, the learning community coordinating council if the school district is a member of a learning community the entire revenue raised by taxation and all other sources and received by the school board for the previous school fiscal year and a budget for the ensuing school fiscal year broken down generally as follows: (1) The amount of funds required for the support of the schools during the ensuing school fiscal year; (2) the amount of funds required for the purchase of school sites; (3) the amount of funds required for the erection of school buildings; (4) the amount of funds required for the payment of interest upon all bonds issued for school purposes; and (5) the amount of funds required for the creation of a sinking fund for the payment of such indebtedness. The secretary shall publish, within ten days after the filing of such budget, a copy of the fund summary pages of the budget one time at the legal rate prescribed for the publication of
legal notices in a legal newspaper published in and of general circulation in such city or village or, if none is published in such city or village, in a legal newspaper of general circulation in the city or village. The secretary of the school board failing or neglecting to comply with this section shall be deemed guilty of a Class $V$ misdemeanor and, in the discretion of the court, the judgment of conviction may provide for the removal from office of such secretary for such failure or neglect. For Class I, II, or III school districts that are not members of a learning community, the county board shall levy and collect such taxes as are necessary to provide the amount of revenue from property taxes as indicated by all the data contained in the budget and the certificate prescribed by this section, at the time and in the manner provided in section 77-1601.

Sec. 52. Section 79-1093, Reissue Revised Statutes of Nebraska, is amended to read:

79-1093 (1) The board of education of a Class I, II, III, IV, or V school district may contract for (a) machine accounting and payroll processing services, (b) disbursing school funds as ordered by the board of education, (c) paying net salaries or wages earned by professional and other personnel employed by the board of education, (d) remitting to appropriate collection agencies sums withheld from salaries and wages, and (e) any other computerized service which the board of education deems necessary or desirable. Payment of salaries and wages as provided in this section shall be made to the employee in bank credit or cash, as the employee may specify.
(2) The bank or fiscal agent under contract as provided in this section shall furnish to the board of education a report at the end of each month detailing (a) the sums received for deposit in the school district account, (b) the amount disbursed to payees as designated by the secretary or authorized clerk of the board of education, and (c) the unexpended balance in the school district account. This section does not
modify, limit, waive, or abrogate the responsibility and the liability of the contracting board of education for the security and safe custody of school funds as required by law or for their proper use and application to school district indebtedness as provided by law.

Sec. 53. Section 79-10,114, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-10,114 No school property of any kind belonging to any Class $I_{\text {, }}$ $I_{\text {, }} I I I_{\perp}$ or IV school district shall be sold by the school board or board of education except at a regular meeting of the board and with an affirmative recorded vote of at least two-thirds of all the members of the board. Proceeds of sale of school property sold as provided in this section may be held separately from other funds of the school district and may be used for any school purpose as the board may determine, including, but not limited to, acquiring sites for school buildings or teacherages and purchasing existing buildings for use as school buildings or teacherages, including the sites upon which such buildings are located, and the erection, alteration, equipping, and furnishing of school buildings or teacherages.

Sec. 54. Section 79-10,117, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-10,117 The legal voters of any Class $I_{\text {, }}$ II, or III school district have the power, at an election or at any annual or special meeting, to (1) direct the purchasing or leasing of any appropriate site and the building, hiring, or purchasing of a teacherage for the purpose of providing housing facilities for the school employees of the district, (2) determine the amount necessary to be expended for such purposes the succeeding year, and (3) vote on a tax on the property of the district for the payment of the amount.

Sec. 55. Section 79-10,118, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-10,118 A tax to establish a special fund for the building,
hiring, or purchasing of a teacherage for the purpose of providing housing facilities for the school employees of any Class $I$, II, or III district may be levied when authorized by fifty-five percent of the legal voters voting on the proposition. The notice of the proposal to establish such special fund shall include the sum to be raised or the amount of the tax to be levied, the period of years, and the time of its taking effect. If fifty-five percent of the legal voters voting at any such election vote in favor of the proposition, the result of such election shall be certified to the county board which, upon being satisfied that all the requirements have been substantially complied with, shall cause the proceedings to be entered upon the record of the county board and shall make an order that the levy be made in accordance with the election result and collected as other taxes.

Sec. 56. Original sections 32-543, 32-811, 79-474, 79-475, 79-520, 79-534, 79-549, 79-555, 79-589, 79-590, 79-5,105, 79-5,106, and 79-1093, Reissue Revised Statutes of Nebraska, and sections 32-405, 32-618, 79-102, 79-104, 79-407, 79-413, 79-451, 79-458, 79-470, 79-473, 79-499, 79-4,108, 79-4,129, 79-501, 79-524, 79-525, 79-526, 79-547, 79-550, 79-554, 79-559, 79-564, 79-569, 79-570, 79-572, 79-576, 79-577, 79-578, 79-579, 79-580, 79-581, 79-586, 79-587, 79-588, 79-594, 79-5,104, 79-611, 79-1045, 79-1084, 79-10,114, 79-10,117, and 79-10,118, Revised Statutes Cumulative Supplement, 2022, are repealed.

