

LEGISLATURE OF NEBRASKA  
ONE HUNDREDTH LEGISLATURE  
SECOND SESSION  
**LEGISLATIVE BILL 1154**

FINAL READING

Introduced by Raikes, 25.

Read first time January 23, 2008

Committee: Education

A BILL

1 FOR AN ACT relating to education; to amend sections 79-234,  
2 79-1202, 79-1210, 79-1225, 81-1203, and 81-1204, Reissue  
3 Revised Statutes of Nebraska, sections 13-508, 13-519,  
4 and 79-201, Revised Statutes Cumulative Supplement, 2006,  
5 sections 32-546.01, 32-604, 77-3442, 79-611, 79-769,  
6 79-1073, 79-1241.03, 79-2102, 79-2102.01, 79-2104,  
7 79-2107, 79-2110, 79-2111, 79-2113, 79-2115, 79-2117, and  
8 79-2118, Revised Statutes Supplement, 2007, and section  
9 46, Legislative Bill 988, One Hundredth Legislature,  
10 Second Session, 2008; to change provisions relating to  
11 learning community coordinating councils, educational  
12 service units, budgets, tax levies, diversity plans,  
13 open enrollment, state aid, and job training grants;

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1           to require reporting by school districts; to provide  
2           for nonvoting learning community coordinating council  
3           members; to provide for an advisory committee; to  
4           harmonize provisions; and to repeal the original  
5           sections.

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

1           Section 1. Section 13-508, Revised Statutes Cumulative  
2 Supplement, 2006, is amended to read:

3           13-508 (1) After publication and hearing thereon and  
4 within the time prescribed by law, each governing body, except as  
5 provided in subsection (3) of this section, shall file with and  
6 certify to the levying board or boards on or before September 20  
7 of each year and file with the auditor a copy of the adopted  
8 budget statement which complies with sections 13-518 to 13-522 or  
9 79-1023 to 79-1030, together with the amount of the tax required  
10 to fund the adopted budget, setting out separately (a) the amount  
11 to be levied for the payment of principal or interest on bonds  
12 issued by the governing body and (b) the amount to be levied  
13 for all other purposes. Proof of publication shall be attached to  
14 the statements. ~~School districts that are members of a learning~~  
15 ~~community~~ Learning communities shall also file a copy of such  
16 adopted budget statement with ~~the learning community coordinating~~  
17 ~~council on or before September 1, 2007, and member school districts~~  
18 ~~on or before September 1 of each year. thereafter.~~ The governing  
19 body, in certifying the amount required, may make allowance for  
20 delinquent taxes not exceeding five percent of the amount required  
21 plus the actual percentage of delinquent taxes for the preceding  
22 tax year and for the amount of estimated tax loss from any pending  
23 or anticipated litigation which involves taxation and in which tax  
24 collections have been or can be withheld or escrowed by court  
25 order. For purposes of this section, anticipated litigation shall

1 be limited to the anticipation of an action being filed by a  
2 taxpayer who or which filed a similar action for the preceding year  
3 which is still pending. Except for such allowances, a governing  
4 body shall not certify an amount of tax more than one percent  
5 greater or lesser than the amount determined under section 13-505.

6 (2) Each governing body shall use the final adjusted  
7 values as provided by the county assessor pursuant to section  
8 13-509 for the current year in setting or certifying the levy. Each  
9 governing body may designate one of its members to perform any duty  
10 or responsibility required of such body by this section.

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

14 (b) A school district which is a member of a learning  
15 community shall do such filing and certification on or before  
16 September 1 of each year.

17 Sec. 2. Section 13-519, Revised Statutes Cumulative  
18 Supplement, 2006, is amended to read:

19 13-519 (1) (a) Subject to ~~subdivision (1)(b)~~ subdivisions  
20 (1)(b) and (c) of this section, for all fiscal years beginning  
21 on or after July 1, 1998, no governmental unit shall adopt a  
22 budget containing a total of budgeted restricted funds more than  
23 the last prior year's total of budgeted restricted funds plus  
24 allowable growth plus the basic allowable growth percentage of  
25 the base limitation established under section 77-3446. For the

1 second fiscal year in which a county will receive a full year of  
2 receipts from the tax imposed in sections 77-27,223 to 77-27,227,  
3 the prior year's total of restricted funds shall be the prior  
4 year's total of restricted funds plus the total receipts from the  
5 tax imposed in sections 77-27,223 to 77-27,227 in the prior year.  
6 If a governmental unit transfers the financial responsibility of  
7 providing a service financed in whole or in part with restricted  
8 funds to another governmental unit or the state, the amount of  
9 restricted funds associated with providing the service shall be  
10 subtracted from the last prior year's total of budgeted restricted  
11 funds for the previous provider and may be added to the last  
12 prior year's total of restricted funds for the new provider. For  
13 governmental units that have consolidated, the calculations made  
14 under this section for consolidating units shall be made based on  
15 the combined total of restricted funds, population, or full-time  
16 equivalent students of each governmental unit.

17 (b) For all fiscal years beginning on or after July 1,  
18 2005, the last prior year's total of budgeted restricted funds  
19 shall be increased for a community college area by adding to such  
20 area's fiscal year base-year revenue the amount of revenue to be  
21 collected under subdivision (2)(c) of section 85-1517 that is in  
22 excess of the amount budgeted under this subdivision in the prior  
23 fiscal year.

24 (c) For all fiscal years beginning on or after July  
25 1, 2008, educational service units may exceed the limitations

1 of subdivision (1)(a) of this section to the extent that one  
2 hundred ten percent of the needs for the educational service unit  
3 calculated pursuant to section 79-1241.03 exceeds the budgeted  
4 restricted funds allowed pursuant to subdivision (1)(a) of this  
5 section.

6 (2) A governmental unit may exceed the limit provided in  
7 subdivisions (1)(a) and (b) of this section for a fiscal year by up  
8 to an additional one percent upon the affirmative vote of at least  
9 seventy-five percent of the governing body.

10 (3) A governmental unit may exceed the applicable  
11 allowable growth percentage otherwise prescribed in this section  
12 by an amount approved by a majority of legal voters voting on  
13 the issue at a special election called for such purpose upon the  
14 recommendation of the governing body or upon the receipt by the  
15 county clerk or election commissioner of a petition requesting an  
16 election signed by at least five percent of the legal voters of  
17 the governmental unit. The recommendation of the governing body  
18 or the petition of the legal voters shall include the amount  
19 and percentage by which the governing body would increase its  
20 budgeted restricted funds for the ensuing year over and above  
21 the current year's budgeted restricted funds. The county clerk or  
22 election commissioner shall call for a special election on the  
23 issue within fifteen days after the receipt of such governing body  
24 recommendation or legal voter petition. The election shall be held  
25 pursuant to the Election Act, and all costs shall be paid by the

1 governing body. The issue may be approved on the same question as a  
2 vote to exceed the levy limits provided in section 77-3444.

3 (4) In lieu of the election procedures in subsection (3)  
4 of this section, any governmental unit may exceed the allowable  
5 growth percentage otherwise prescribed in this section by an amount  
6 approved by a majority of legal voters voting at a meeting of  
7 the residents of the governmental unit, called after notice is  
8 published in a newspaper of general circulation in the governmental  
9 unit at least twenty days prior to the meeting. At least ten  
10 percent of the registered voters residing in the governmental unit  
11 shall constitute a quorum for purposes of taking action to exceed  
12 the allowable growth percentage. If a majority of the registered  
13 voters present at the meeting vote in favor of exceeding the  
14 allowable growth percentage, a copy of the record of that action  
15 shall be forwarded to the Auditor of Public Accounts along with  
16 the budget documents. The issue to exceed the allowable growth  
17 percentage may be approved at the same meeting as a vote to exceed  
18 the limits or final levy allocation provided in section 77-3444.

19 Sec. 3. Section 32-546.01, Revised Statutes Supplement,  
20 2007, is amended to read:

21 32-546.01 (1) Each learning community shall be governed  
22 by a learning community coordinating council consisting of eighteen  
23 voting members, with twelve members elected on a nonpartisan ballot  
24 from six numbered election districts and with six members appointed  
25 from such election districts pursuant to this section. Each voter

1 shall be allowed to cast votes for one candidate to represent the  
2 election district in which the voter resides. The two candidates  
3 receiving the most votes shall be elected. A candidate shall reside  
4 in the election district for which he or she is a candidate. No  
5 primary election for the office of learning community coordinating  
6 council shall be held.

7           (2) The initial elected members shall be elected at the  
8 statewide general election immediately following the certification  
9 of the establishment of the learning community, and subsequent  
10 members shall be elected at subsequent statewide general elections.  
11 Except as provided in this section, such elections shall be  
12 conducted pursuant to the Election Act.

13           (3) Vacancies in office for elected members shall occur  
14 as set forth in section 32-560. Whenever any such vacancy occurs,  
15 the remaining elected members of such council shall appoint an  
16 individual residing within the geographical boundaries of the  
17 election district for the balance of the unexpired term.

18           (4) Members elected to represent odd-numbered districts  
19 in the first election for the learning community coordinating  
20 council shall be elected for two-year terms. Members elected  
21 to represent even-numbered districts in the first election for  
22 the learning community coordinating council shall be elected for  
23 four-year terms. Members elected in subsequent elections shall be  
24 elected for four-year terms and until their successors are elected  
25 and qualified.

1           (5) The appointed members shall be appointed in November  
2 of each even-numbered year after the general election. Appointed  
3 members shall be school board members of school districts in the  
4 learning community either elected to take office the following  
5 January or continuing their current term of office for the  
6 following two years. For learning communities to be established  
7 the following January pursuant to orders issued pursuant to section  
8 79-2102, the Secretary of State shall hold a meeting of the school  
9 board members of the school districts in such learning community to  
10 appoint one member from such school boards to represent each of the  
11 election districts on the coordinating council of such learning  
12 community. For subsequent appointments, the current appointed  
13 members of the coordinating council shall hold a meeting of  
14 the school board members of such school districts to appoint one  
15 member from such school boards to represent each of the election  
16 districts on the coordinating council of the learning community.  
17 The appointed members shall be selected by the school board members  
18 of the school districts in the learning community who reside in the  
19 election district to be represented pursuant to a secret ballot,  
20 shall reside in the election district to be represented, and shall  
21 be appointed for two-year terms and until their successors are  
22 appointed and qualified.

23           (6) Vacancies in office for appointed members shall occur  
24 upon the resignation, death, or disqualification from office of  
25 an appointed member. Disqualification from office shall include

1 ceasing membership on the school board for which membership  
2 qualified the member for the appointment to the learning community  
3 coordinating council or ceasing to reside in the election district  
4 represented by such member of the learning community coordinating  
5 council. Whenever such vacancy occurs, the remaining appointed  
6 members shall hold a meeting of the school board members of the  
7 school districts in such learning community to appoint a member  
8 from such school boards who lives in the election district to be  
9 represented to serve for the balance of the unexpired term.

10 (7) Each learning community coordinating council shall  
11 also have a nonvoting member from each member school district which  
12 does not have either an elected or an appointed member who resides  
13 in the school district on the council. Such nonvoting members  
14 shall be appointed by the school board of the school district  
15 to be represented to serve for two-year terms, and notice of the  
16 nonvoting member selected shall be submitted to the Secretary of  
17 State by such board prior to December 31 of each even-numbered  
18 year. Each such nonvoting member shall be a resident of the  
19 appointing school district and shall not be a school administrator  
20 employed by such school district. Whenever a vacancy occurs, the  
21 school board of such school district shall appoint a new nonvoting  
22 member and submit notice to the Secretary of State and to the  
23 learning community coordinating council.

24 (8) Members of a learning community coordinating council  
25 shall take office on the first Thursday after the first Tuesday

1 in January following their election or appointment, except that  
2 members appointed to fill vacancies shall take office immediately  
3 following administration of the oath of office. Each voting member  
4 shall be paid a per diem in an amount determined by such council up  
5 to two hundred dollars per day for official meetings of the council  
6 and the achievement subcouncil for which he or she is a member, up  
7 to a maximum of twelve thousand dollars per fiscal year, and shall  
8 be eligible for reimbursement of reasonable expenses related to  
9 service on the learning community coordinating council as provided  
10 in sections 81-1174 to 81-1177.

11           Sec. 4. Section 32-604, Revised Statutes Supplement,  
12 2007, is amended to read:

13           32-604 (1) Except as provided in subsection (2) or (4) of  
14 this section, no person shall be precluded from being elected or  
15 appointed to or holding an elective office for the reason that he  
16 or she has been elected or appointed to or holds another elective  
17 office.

18           (2) No person serving as a member of the Legislature or  
19 in an elective office described in Article IV, section 1 or 20,  
20 or Article VII, section 3 or 10, of the Constitution of Nebraska  
21 shall simultaneously serve in any other elective office, except  
22 that such a person may simultaneously serve in another elective  
23 office which is filled at an election held in conjunction with the  
24 annual meeting of a public body.

25           (3) Whenever an incumbent serving as a member of the

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

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

11 (5) Notwithstanding subsections (2) through (4) of this  
12 section, any person holding more than one high elective office upon  
13 September 13, 1997, shall be entitled to serve the remainder of all  
14 terms for which he or she was elected or appointed.

15 (6) For purposes of this section, (a) elective office has  
16 the meaning found in section 32-109 and includes an office which is  
17 filled at an election held in conjunction with the annual meeting  
18 of a public body created by an act of the Legislature but does  
19 not include a member of a learning community coordinating council  
20 appointed pursuant to subsection (5) or (7) of section 32-546.01  
21 and (b) high elective office means a member of the Legislature,  
22 an elective office described in Article IV, section 1 or 20, or  
23 Article VII, section 3 or 10, of the Constitution of Nebraska,  
24 or a county, city, learning community, or school district elective  
25 office.

1           Sec. 5. Section 77-3442, Revised Statutes Supplement,  
2 2007, is amended to read:

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

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

13           (b) For each fiscal year, learning communities may levy  
14 a maximum levy for the general fund budgets of member school  
15 districts equal to the local effort rate prescribed in section  
16 79-1015.01 for such fiscal year. The proceeds from the levy  
17 pursuant to this subdivision shall be distributed pursuant to  
18 section 79-1073.

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

1 (2)(g) of this section for such learning community.

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

13 (e) Federal aid school districts may exceed the maximum  
14 levy prescribed by subdivision (2)(a) or (2)(c) of this section  
15 only to the extent necessary to qualify to receive federal aid  
16 pursuant to Title VIII of Public Law 103-382, as such title existed  
17 on September 1, 2001. For purposes of this subdivision, federal  
18 aid school district means any school district which receives ten  
19 percent or more of the revenue for its general fund budget from  
20 federal government sources pursuant to Title VIII of Public Law  
21 103-382, as such title existed on September 1, 2001.

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

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

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

20 (h) For each fiscal year, learning communities may levy  
21 a maximum levy of five cents on each one hundred dollars of  
22 taxable property subject to the levy for elementary learning center  
23 facilities and for up to fifty percent of the estimated cost for  
24 capital projects approved by the learning community coordinating  
25 council pursuant to section 79-2111.

1           (3) Community colleges may levy a maximum levy calculated  
2 pursuant to the Community College Foundation and Equalization Aid  
3 Act on each one hundred dollars of taxable property subject to the  
4 levy.

5           (4) (a) Natural resources districts may levy a maximum  
6 levy of four and one-half cents per one hundred dollars of taxable  
7 valuation of property subject to the levy.

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

18           (c) In addition, natural resources districts located in  
19 a river basin, subbasin, or reach that has been determined to  
20 be fully appropriated pursuant to section 46-714 or designated  
21 as overappropriated pursuant to section 46-713 by the Department  
22 of Natural Resources shall also have the power and authority to  
23 levy a tax equal to the dollar amount by which their restricted  
24 funds budgeted to administer and implement ground water management  
25 activities and integrated management activities under the Nebraska

1 Ground Water Management and Protection Act exceed their restricted  
2 funds budgeted to administer and implement ground water management  
3 activities and integrated management activities for FY2005-06, not  
4 to exceed three cents on each one hundred dollars of taxable  
5 valuation on all of the taxable property within the district for  
6 fiscal year 2006-07 and each fiscal year thereafter through fiscal  
7 year 2011-12.

8 (5) ~~Educational service units~~ Any educational service  
9 unit authorized to levy a property tax pursuant to section 79-1225  
10 may levy a maximum levy of one and one-half cents per one hundred  
11 dollars of taxable valuation of property subject to the levy.

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

25 (b) Incorporated cities and villages which are within the

1 boundaries of a municipal county may levy a maximum levy of ninety  
2 cents per one hundred dollars of taxable valuation of property  
3 subject to the levy. The maximum levy shall include amounts paid  
4 to a municipal county for county services, amounts levied to pay  
5 for sums to support a library pursuant to section 51-201, a museum  
6 pursuant to section 51-501, a visiting community nurse, home health  
7 nurse, or home health agency pursuant to section 71-1637, or a  
8 statue, memorial, or monument pursuant to section 80-202.

9           (7) Sanitary and improvement districts which have been in  
10 existence for more than five years may levy a maximum levy of forty  
11 cents per one hundred dollars of taxable valuation of property  
12 subject to the levy, and sanitary and improvement districts which  
13 have been in existence for five years or less shall not have  
14 a maximum levy. Unconsolidated sanitary and improvement districts  
15 which have been in existence for more than five years and are  
16 located in a municipal county may levy a maximum of eighty-five  
17 cents per hundred dollars of taxable valuation of property subject  
18 to the levy.

19           (8) Counties may levy or authorize a maximum levy of  
20 fifty cents per one hundred dollars of taxable valuation of  
21 property subject to the levy, except that five cents per one  
22 hundred dollars of taxable valuation of property subject to the  
23 levy may only be levied to provide financing for the county's  
24 share of revenue required under an agreement or agreements executed  
25 pursuant to the Interlocal Cooperation Act or the Joint Public

1 Agency Act. The maximum levy shall include amounts levied to pay  
2 for sums to support a library pursuant to section 51-201 or museum  
3 pursuant to section 51-501. The county may allocate up to fifteen  
4 cents of its authority to other political subdivisions subject  
5 to allocation of property tax authority under subsection (1) of  
6 section 77-3443 and not specifically covered in this section to  
7 levy taxes as authorized by law which do not collectively exceed  
8 fifteen cents per one hundred dollars of taxable valuation on any  
9 parcel or item of taxable property. The county may allocate to  
10 one or more other political subdivisions subject to allocation  
11 of property tax authority by the county under subsection (1) of  
12 section 77-3443 some or all of the county's five cents per one  
13 hundred dollars of valuation authorized for support of an agreement  
14 or agreements to be levied by the political subdivision for the  
15 purpose of supporting that political subdivision's share of revenue  
16 required under an agreement or agreements executed pursuant to the  
17 Interlocal Cooperation Act or the Joint Public Agency Act. If an  
18 allocation by a county would cause another county to exceed its  
19 levy authority under this section, the second county may exceed the  
20 levy authority in order to levy the amount allocated.

21 (9) Municipal counties may levy or authorize a maximum  
22 levy of one dollar per one hundred dollars of taxable valuation  
23 of property subject to the levy. The municipal county may allocate  
24 levy authority to any political subdivision or entity subject to  
25 allocation under section 77-3443.

1           (10) Property tax levies for judgments, except judgments  
2 or orders from the Commission of Industrial Relations, obtained  
3 against a political subdivision which require or obligate a  
4 political subdivision to pay such judgment, to the extent such  
5 judgment is not paid by liability insurance coverage of a  
6 political subdivision, for preexisting lease-purchase contracts  
7 approved prior to July 1, 1998, for bonded indebtedness approved  
8 according to law and secured by a levy on property, and for  
9 payments by a public airport to retire interest-free loans from the  
10 Department of Aeronautics in lieu of bonded indebtedness at a lower  
11 cost to the public airport are not included in the levy limits  
12 established by this section.

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

18           (12) Tax levies in excess of the limitations in this  
19 section shall be considered unauthorized levies under section  
20 77-1606 unless approved under section 77-3444.

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

24           Sec. 6. Section 79-201, Revised Statutes Cumulative  
25 Supplement, 2006, is amended to read:

1           79-201 (1) For purposes of this section:

2           (a) Prior to July 1, 2005, a child is of mandatory  
3 attendance age if the child (i) has reached seven years of age,  
4 (ii) did not reach sixteen years of age prior to July 16, 2004, and  
5 (iii) has not reached eighteen years of age; and

6           (b) On and after July 1, 2005, a child is of mandatory  
7 attendance age if the child (i) will reach six years of age prior  
8 to January 1 of the then-current school year, (ii) did not reach  
9 sixteen years of age prior to July 16, 2004, and (iii) has not  
10 reached eighteen years of age.

11           (2) Except as provided in subsection (3) of this section,  
12 every person residing in a school district within the State of  
13 Nebraska who has legal or actual charge or control of any child  
14 who is of mandatory attendance age or is enrolled in a public  
15 school shall cause such child to enroll in, if such child is not  
16 enrolled, and attend regularly a public, private, denominational,  
17 or parochial day school which meets the requirements for legal  
18 operation prescribed in Chapter 79, or a school which elects  
19 pursuant to section 79-1601 not to meet accreditation or approval  
20 requirements, each day that such school is open and in session,  
21 except when excused by school authorities or when illness or severe  
22 weather conditions make attendance impossible or impracticable.

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

25           (a) Has obtained a high school diploma by meeting the

1 graduation requirements established in section 79-729;

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

5 (c) Has reached the age of eighteen years;

6 (d) Has reached the age of sixteen years and such child's  
7 parent or guardian has signed a notarized release discontinuing the  
8 enrollment of the child on a form provided by the school;

9 (e) (i) Will reach six years of age prior to January  
10 1 of the then-current school year, but will not reach seven  
11 years of age prior to January 1 of such school year, (ii) such  
12 child's parent or guardian has signed an affidavit stating that the  
13 child is participating in an education program that the parent or  
14 guardian believes will prepare the child to enter grade one for the  
15 following school year, and (iii) such affidavit has been filed by  
16 the parent or guardian with the school district in which the child  
17 resides;

18 (f) (i) Will reach six years of age prior to January 1 of  
19 the then-current school year but has not reached seven years of  
20 age, (ii) such child's parent or guardian has signed an affidavit  
21 stating that the parent or guardian intends for the child to  
22 participate in a school which has elected or will elect pursuant to  
23 section 79-1601 not to meet accreditation or approval requirements  
24 and the parent or guardian intends to provide the Commissioner of  
25 Education with a statement pursuant to subsection (3) of section

1 79-1601 on or before the child's seventh birthday, and (iii) such  
2 affidavit has been filed by the parent or guardian with the school  
3 district in which the child resides; or

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

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

13 (5) Each school district that is a member of a learning  
14 community shall report to the learning community coordinating  
15 council on or before September 1 of each year for the immediately  
16 preceding school year the following information:

17 (a) All reports of violations of this section made to  
18 the attendance officer of any school in the district pursuant to  
19 section 79-209;

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

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

25 (d) Records of all notices served and reports filed

1 pursuant to section 79-209 and the district's policy on habitual  
2 truancy.

3           Sec. 7. Section 79-234, Reissue Revised Statutes of  
4 Nebraska, is amended to read:

5           79-234 (1) An enrollment option program is hereby  
6 established to enable any kindergarten through twelfth grade  
7 Nebraska student to attend a school in a Nebraska public school  
8 district in which the student does not reside subject to the  
9 limitations prescribed in section 79-238. The option shall be  
10 available only once to each student prior to graduation unless (a)  
11 the student relocates ~~in~~ to a different resident school district,  
12 (b) the option school district merges with another district, ~~or~~ (c)  
13 the option school district is a Class I district, (d) the option  
14 would allow the student to continue current enrollment in a school  
15 district, or (e) the option would allow the student to enroll in  
16 a school district in which the student was previously enrolled as  
17 a resident student. The option student shall be given the option  
18 to attend school in another district at the time of relocation or  
19 merger or upon completion of the grades offered at the Class I  
20 district.

21           (2) The program shall not apply to (a) any student  
22 who resides in a Class I district which has not affiliated and  
23 which contracts or has contracted in either or both of the two  
24 prior school years with another district or districts in such  
25 student's grade level pursuant to section 79-598 or (b) any student

1 who resides in a district which has entered into an annexation  
2 agreement pursuant to section 79-473, except that such student may  
3 transfer to another district which accepts option students.

4 Sec. 8. Section 79-611, Revised Statutes Supplement,  
5 2007, is amended to read:

6 79-611 (1) The school board of any school district  
7 shall either provide free transportation or pay an allowance for  
8 transportation in lieu of free transportation as follows:

9 (a) When a student attends an elementary school in his  
10 or her own district and lives more than four miles from the public  
11 schoolhouse in such district;

12 (b) When a student is required to attend an elementary  
13 school outside of his or her own district and lives more than four  
14 miles from such elementary school;

15 (c) When a student attends a secondary school in his or  
16 her own Class II or Class III school district and lives more than  
17 four miles from the public schoolhouse. This subdivision does not  
18 apply when one or more Class I school districts merge with a Class  
19 VI school district to form a new Class II or III school district on  
20 or after January 1, 1997; and

21 (d) When a student, other than a student in grades ten  
22 through twelve in a Class V district, attends an elementary or  
23 junior high school in his or her own Class V district and lives  
24 more than four miles from the public schoolhouse in such district.

25 (2) (a) The school board of any school district that is

1 a member of a learning community shall provide free transportation  
2 for a student who resides in such learning community and attends  
3 school in such school district if (i) the student is transferring  
4 pursuant to the open enrollment provisions of section 79-2110,  
5 qualifies for free or reduced-price lunches, and lives more than  
6 one mile from the school to which he or she transfers, (ii)  
7 the student is transferring pursuant to such open enrollment  
8 provisions, ~~and the student~~ is a student who contributes to the  
9 socioeconomic diversity of enrollment at the school building ~~the~~  
10 ~~student~~ he or she attends, and lives more than one mile from the  
11 school to which he or she transfers, (iii) the student is attending  
12 a focus school or program and lives more than one mile from the  
13 school building housing the focus school or program, or (iv) the  
14 student is attending a magnet school or program and lives more than  
15 one mile from the magnet school or the school housing the magnet  
16 program.

17 (b) For purposes of this subsection, a student who  
18 contributes to the socioeconomic diversity of enrollment at the  
19 school building he or she attends means ~~(i) a student who is~~  
20 ~~not a student qualifying for free or reduced-price lunches when,~~  
21 ~~based upon official membership,~~ the school building the student  
22 will attend has more students qualifying for free or reduced-price  
23 lunches than the average percentage of such students in all school  
24 buildings in the learning community or ~~(ii) a student who is a~~  
25 ~~student that qualifies for free or reduced-price lunches when,~~

1 ~~based upon official membership, the school building the student~~  
2 ~~will attend has fewer students qualifying for free or reduced-price~~  
3 ~~lunches than the average percentage of such students in all school~~  
4 ~~buildings in the learning community. has the definition found~~  
5 ~~in section 79-2110.~~ This subsection does not prohibit a school  
6 district that is a member of a learning community from providing  
7 transportation to any intradistrict student.

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

16 (4) Whenever students from more than one family travel to  
17 school in the same vehicle, the transportation allowance prescribed  
18 in subsection (3) of this section shall be payable as follows:

19 (a) To the parent, custodial parent, or guardian  
20 providing transportation for students from other families, one  
21 hundred percent of the amount prescribed in subsection (3) of  
22 this section for the transportation of students of such parent's,  
23 custodial parent's, or guardian's own family and an additional  
24 five percent for students of each other family not to exceed a  
25 maximum of one hundred twenty-five percent of the amount determined

1 pursuant to subsection (3) of this section; and

2 (b) To the parent, custodial parent, or guardian not  
3 providing transportation for students of other families, two  
4 hundred eighty-five percent of the mileage rate provided in section  
5 81-1176 multiplied by each mile actually and necessarily traveled,  
6 on each day of attendance, from the residence of the student to  
7 the pick-up point at which students transfer to the vehicle of a  
8 parent, custodial parent, or guardian described in subdivision (a)  
9 of this subsection.

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

21 (6) No more than one allowance shall be made to a  
22 family irrespective of the number of students in a family being  
23 transported to school. If a family resides in a Class I district  
24 which is part of a Class VI district and has students enrolled in  
25 any of the grades offered by the Class I district and in any of

1 the non-high-school grades offered by the Class VI district, such  
2 family shall receive not more than one allowance for the distance  
3 actually traveled when both districts are on the same direct travel  
4 route with one district being located a greater distance from the  
5 residence than the other. In such cases, the travel allowance shall  
6 be prorated among the school districts involved.

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

9 Sec. 9. Section 79-769, Revised Statutes Supplement,  
10 2007, is amended to read:

11 79-769 (1) Any one or more member school districts of a  
12 learning community may establish a ~~focus school or program~~ one or  
13 more focus programs, focus schools, or magnet schools pursuant to  
14 the diversity plan developed by the learning community coordinating  
15 council.

16 ~~(2) Member school districts of a learning community may~~  
17 ~~also establish magnet programs which may include magnet pathways~~  
18 ~~across member school districts pursuant to the diversity plan~~  
19 ~~developed by the learning community coordinating council.~~

20 (2) Focus schools, focus programs, and magnet schools may  
21 be included in pathways across member school districts pursuant to  
22 the diversity plan developed by the learning community coordinating  
23 council pursuant to section 79-2104.

24 (3) If multiple member school districts collaborate on a  
25 focus program, focus school, or magnet school, one member school

1 district shall be designated as the primary school district.  
2 The primary school district shall maintain legal, financial, and  
3 academic responsibility for such focus program, focus school, or  
4 magnet school.

5 ~~(3)~~ (4) For purposes of this section:

6 (a) Focus program means a program that does not have  
7 an attendance area, whose enrollment is designed so that the  
8 socioeconomic diversity of the students attending the focus program  
9 reflects as nearly as possible the socioeconomic diversity of  
10 the student body of the learning community, which has a unique  
11 curriculum with specific learning goals or teaching techniques  
12 different from the standard curriculum, and is unique and designed  
13 differently than the standard curriculum which may be housed in  
14 an existing school building, a building with other public school  
15 programs, and which may consist of either the complete education  
16 program for participating students or part of the education program  
17 for participating students;

18 (b) Focus school means a school that does not have an  
19 attendance area, and whose enrollment is designed so that the  
20 socioeconomic diversity of the students attending the focus school  
21 reflects as nearly as possible the socioeconomic diversity of  
22 the student body of the learning community, which has a unique  
23 curriculum with specific learning goals or teaching techniques  
24 different from the standard curriculum, and which is housed in a  
25 building that does not contain another public school program;

1           ~~(c) Magnet pathway means a location in which elementary,~~  
 2 ~~middle, and high school magnet schools are placed;~~

3           ~~(d) Magnet program means a program which offers~~  
 4 ~~coordinated elementary, middle, and high school programs and~~  
 5 ~~services that are unique and that have specific learning goals in~~  
 6 ~~addition to the standard curriculum; and~~

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

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

17           Sec. 10. Section 46, Legislative Bill 988, One Hundredth  
 18 Legislature, Second Session, 2008, is amended to read:

19           For school fiscal year 2008-09 and each school fiscal  
 20 year thereafter, a school district may exceed its maximum general  
 21 fund budget of expenditures minus the special education budget of  
 22 expenditures by a specific dollar amount for:

23           (1) Expenditures for repairs to infrastructure damaged by  
 24 a natural disaster which is declared a disaster emergency pursuant  
 25 to the Emergency Management Act;

1           (2) Expenditures for judgments, except judgments or  
2 orders from the Commission of Industrial Relations, obtained  
3 against a school district which require or obligate a school  
4 district to pay such judgment, to the extent such judgment is not  
5 paid by liability insurance coverage of a school district;

6           (3) Expenditures pursuant to the Retirement Incentive  
7 Plan authorized in section 79-855 or the Staff Development  
8 Assistance authorized in section 79-856;

9           (4) Expenditures of incentive payments or base fiscal  
10 year incentive payments to be received in such school fiscal year  
11 pursuant to section 79-1011;

12           (5) Expenditures of amounts received from educational  
13 entities as defined in section 79-1201.01 for providing distance  
14 education courses through the Educational Service Unit Coordinating  
15 Council to such educational entities; and

16           (6) A school district may exceed its applicable allowable  
17 growth rate for either (a) the first and second school fiscal  
18 years the district will be participating in Network Nebraska for  
19 the full school fiscal year or (b) school fiscal year 2008-09, if  
20 the school district participated in Network Nebraska for all of  
21 school fiscal year 2007-08, by a specific dollar amount equal to  
22 the estimated expenditures, to be made in the school fiscal year  
23 in which the district may exceed its applicable allowable growth  
24 rate, for (i) telecommunication services, (ii) access to data  
25 transmission networks that transmit data to and from the school

1 ~~district, and (iii) the transmission of data on such networks~~  
2 ~~as such expenditures are defined by the department for purposes~~  
3 ~~of the distance education and telecommunications allowance minus~~  
4 ~~the dollar amount of such expenditures for the school fiscal~~  
5 ~~year immediately preceding the first full school fiscal year the~~  
6 ~~district participates in Network Nebraska. Districts shall estimate~~  
7 ~~expenditures on forms prescribed by the department. The department~~  
8 ~~shall approve, deny, or modify the estimated expenditures. Either~~  
9 ~~(a) the first and second school fiscal years the district will~~  
10 ~~be participating in Network Nebraska for the full school fiscal~~  
11 ~~year or (b) school fiscal year 2008-09, if the school district~~  
12 ~~participated in Network Nebraska for all of school fiscal year~~  
13 ~~2007-08, for the difference of the estimated expenditures for~~  
14 ~~such school fiscal year for telecommunications services, access~~  
15 ~~to data transmission networks that transmit data to and from the~~  
16 ~~school district, and the transmission of data on such networks as~~  
17 ~~such expenditures are defined by the department for purposes of~~  
18 ~~the distance education and telecommunications allowance minus the~~  
19 ~~dollar amount of such expenditures for the second school fiscal~~  
20 ~~year preceding the first full school fiscal year the district~~  
21 ~~participates in Network Nebraska; and~~

22 ~~(7) Expenditures to pay another school district for the~~  
23 ~~transfer of land from such other school district.~~

24 The state board shall approve, deny, or modify the amount  
25 allowed for any exception to the maximum general fund budget of

1 expenditures minus the special education budget of expenditures  
2 pursuant to this section.

3 Sec. 11. Section 79-1073, Revised Statutes Supplement,  
4 2007, is amended to read:

5 79-1073 On or before ~~October~~ September 1 for each year,  
6 each learning community coordinating council shall determine the  
7 expected amounts to be distributed to each member school district  
8 from general fund property tax receipts pursuant to subdivision  
9 (2) (b) of section 77-3442 and shall certify such amounts to each  
10 member school district and the State Department of Education. ~~Such~~  
11 For the first three school fiscal years for which the learning  
12 community levies a common general fund property tax for school  
13 districts, such property tax receipts shall be divided among  
14 member school districts proportionally based on the greater of (1)  
15 the difference of the school district's formula need calculated  
16 pursuant to the Tax Equity and Educational Opportunities Support  
17 Act minus the sum of the state aid certified pursuant to section  
18 79-1022 and the other actual receipts included in local system  
19 formula resources pursuant to section 79-1018.01 for the school  
20 fiscal year for which the distribution is being made or (2) the  
21 difference of the sum of the state aid certified for the school  
22 fiscal year immediately preceding the first school fiscal year  
23 for which the learning community levies a common general fund  
24 property tax for school districts plus the product of the school  
25 district's general fund levy for such school fiscal year multiplied

1 by the assessed valuation for such school fiscal year minus the  
2 state aid certified pursuant to section 79-1022 for the school  
3 fiscal year for which the distribution is being made. Thereafter,  
4 such property tax receipts shall be divided among member school  
5 districts proportionally based on the difference of ~~one hundred~~  
6 ~~percent~~ of the school district's formula need calculated pursuant  
7 to section 79-1007.02 minus the sum of the state aid certified  
8 pursuant to section 79-1022 and the other actual receipts included  
9 in local system formula resources pursuant to section 79-1018.01  
10 for the school fiscal year for which the distribution is being  
11 made, ~~except that no school district shall receive property tax~~  
12 ~~receipts in excess of the lesser of such difference or the school~~  
13 ~~district's property tax request submitted to the learning community~~  
14 ~~coordinating council.~~

15           Each time a learning community coordinating council  
16 distributes property tax receipts to member school districts,  
17 the amount to be distributed to each district shall be proportional  
18 based on the total amounts to be distributed to each member school  
19 district for the school fiscal year.

20           Sec. 12. Section 79-1202, Reissue Revised Statutes of  
21 Nebraska, is amended to read:

22           79-1202 The official name of each educational service  
23 unit shall be Educational Service Unit No. ... of the State  
24 of Nebraska, and the individual number of each unit shall be  
25 determined by the State Board of Education. ~~School District 55-001~~

1 ~~of Lancaster County shall remain Educational Service Unit No. 18-~~  
2 ~~School District 28-001 of Douglas County shall remain Educational~~  
3 ~~Service Unit No. 19.~~ For educational service units existing on  
4 January 1, 1998, the number of the unit shall remain the same.  
5 For educational service units created by merger, the number of the  
6 unit shall be the number of one of the educational service units  
7 dissolving into the new educational service unit. For all other  
8 newly created educational service units, the number shall be any  
9 number not otherwise assigned to an existing educational service  
10 unit.

11           Sec. 13. Section 79-1210, Reissue Revised Statutes of  
12 Nebraska, is amended to read:

13           79-1210 The State Board of Education shall grant or deny  
14 any petition to change educational service unit boundaries based  
15 upon the following criteria:

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

18           (2) The economic viability of the proposal as it relates  
19 to affected established educational service units or affected  
20 proposed educational service units;

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

23           (4) Geographic proximity as such would affect the ability  
24 of affected educational service units to deliver service in a  
25 cost-effective manner; ~~and~~

1           (5) Compliance with the requirements of the Educational  
2 Service Units Act; and

3           ~~(5)~~ (6) In the dissolution of one or more entire  
4 educational service units, evidence of consent from each  
5 educational service unit board and two-thirds of the school boards  
6 or boards of education of member school districts representing a  
7 majority of students in each affected educational service unit.

8           For petitions that change educational service unit  
9 boundaries by transferring a learning community member district  
10 from one educational service unit to another educational service  
11 unit with existing territory in such learning community, the  
12 requirements of subdivisions (1), (2), (3), and (4) of this section  
13 shall be deemed to have been met if the affected educational  
14 service units will each have at least two member school districts  
15 after such transfer.

16           Sec. 14. Section 79-1225, Reissue Revised Statutes of  
17 Nebraska, is amended to read:

18           79-1225 (1) After the adoption of its budget statement,  
19 the board for each educational service unit, except as provided  
20 in subsection (2) of this section, may levy a tax in the amount  
21 which it requires under its adopted budget statement to be received  
22 from taxation. The levy shall be subject to the limits established  
23 by section 77-3442. The amount of such levy shall be certified by  
24 the secretary of the educational service unit board to the county  
25 board of equalization of each county in which any part of the

1 geographical area of the educational service unit is located on  
2 or before September 20 of each year. Such tax shall be levied and  
3 assessed in the same manner as other property taxes and entered  
4 on the books of the county treasurer. The proceeds of such tax,  
5 as collected, shall be remitted to the treasurer of the board on  
6 or before the fifteenth day of each month or more frequently as  
7 provided in section 77-1759.

8 (2) For fiscal year 2013-14 and each fiscal year  
9 thereafter, only an educational service unit which has two or  
10 more member school districts may levy a tax on the taxable value  
11 of the taxable property within the geographic boundaries of the  
12 educational service unit.

13 Sec. 15. Section 79-1241.03, Revised Statutes Supplement,  
14 2007, is amended to read:

15 79-1241.03 For school fiscal year 2008-09 and each school  
16 fiscal year thereafter:

17 (1) One percent of the funds appropriated for core  
18 services and technology infrastructure shall be transferred to  
19 the Educational Service Unit Coordinating Council. The remainder  
20 of such funds shall be distributed pursuant to subdivisions (2)  
21 through (6) of this section;

22 (2)(a) The distance education and telecommunications  
23 allowance for each educational service unit shall equal eighty-five  
24 percent of the difference of the costs for telecommunications  
25 services, for access to data transmission networks that transmit

1 data to and from the educational service unit, and for the  
2 transmission of data on such networks paid by the educational  
3 service unit as reported on the annual financial report for the  
4 most recently available complete data year minus the receipts from  
5 the federal Universal Service Fund pursuant to 47 U.S.C. 254,  
6 as such section existed on January 1, 2007, for the educational  
7 service unit as reported on the annual financial report for the  
8 most recently available complete data year and minus any receipts  
9 from school districts or other educational entities for payment  
10 of such costs as reported on the annual financial report of the  
11 educational service unit;

12 (b) The base allocation of each educational service unit  
13 shall equal two and one-half percent of the funds appropriated for  
14 distribution pursuant to this section;

15 (c) The satellite office allocation for each educational  
16 service unit shall equal one percent of the funds appropriated  
17 for distribution pursuant to this section for each office of  
18 the educational service unit, except the educational service unit  
19 headquarters, up to the maximum number of satellite offices. The  
20 maximum number of satellite offices used for the calculation of  
21 the satellite office allocation for any educational service unit  
22 shall equal the difference of the ratio of the number of square  
23 miles within the boundaries of the educational service unit divided  
24 by four thousand minus one with the result rounded to the closest  
25 whole number;

1           (d) The statewide adjusted valuation shall equal the  
2 total adjusted valuation for all ~~local systems~~ member districts of  
3 educational service units pursuant to section 79-1016 used for the  
4 calculation of state aid for school districts pursuant to the Tax  
5 Equity and Educational Opportunities Support Act for the school  
6 fiscal year for which the distribution is being calculated pursuant  
7 to this section;

8           (e) The adjusted valuation for each educational service  
9 unit shall equal the total adjusted valuation of the member school  
10 districts pursuant to section 79-1016 used for the calculation of  
11 state aid for school districts pursuant to the act for the school  
12 fiscal year for which the distribution is being calculated pursuant  
13 to this section, except that such adjusted valuation for member  
14 school districts that are also member districts of a learning  
15 community shall be reduced by fifty percent. The adjusted valuation  
16 for each learning community shall equal fifty percent of the total  
17 adjusted valuation of the member school districts pursuant to  
18 section 79-1016 used for the calculation of state aid for school  
19 districts pursuant to the act for the school fiscal year for which  
20 the distribution is being calculated pursuant to this section;

21           (f) The local effort rate shall equal \$0.0135 per one  
22 hundred dollars of adjusted valuation;

23           (g) Except as provided in subdivision (5) of this  
24 section, the statewide student allocation shall equal the  
25 difference of the sum of the amount appropriated for distribution

1 pursuant to this section plus the product of the statewide adjusted  
2 valuation multiplied by the local effort rate minus the distance  
3 education and telecommunications allowance, base allocation, and  
4 satellite office allocation for all educational service units;

5 (h) The sparsity adjustment for each educational service  
6 unit and learning community shall equal the sum of one plus  
7 one-tenth of the ratio of the square miles within the boundaries  
8 of the educational service unit divided by the fall membership of  
9 the member school districts for the school fiscal year immediately  
10 preceding the school fiscal year for which the distribution is  
11 being calculated pursuant to this section;

12 (i) The adjusted students for each educational service  
13 unit shall equal the fall membership ~~of the member school districts~~  
14 for the school fiscal year immediately preceding the school fiscal  
15 year for which aid is being calculated of the member school  
16 districts that will not be members of a learning community and  
17 fifty percent of the fall membership for such school fiscal year  
18 of the member school districts that will be members of a learning  
19 community pursuant to this section multiplied by the educational  
20 service unit sparsity adjustment for the educational service unit,  
21 and the adjusted students for each learning community shall equal  
22 fifty percent of the fall membership for such school fiscal year of  
23 the member school districts multiplied by the sparsity adjustment  
24 for the learning community;

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

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

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

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

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

19 (3) If an educational service unit is the result of  
20 a merger or received new member school districts from another  
21 educational service unit, such educational service unit shall,  
22 for each of the three fiscal years following the fiscal year in  
23 which the merger takes place or the new member school districts  
24 are received, receive core services and technology infrastructure  
25 funds pursuant to subdivisions (2) through (6) of this section

1 in an amount not less than the core services and technology  
2 infrastructure funds received in the fiscal year immediately  
3 preceding the merger or receipt of new member school districts,  
4 except that if the total amount available to be distributed  
5 pursuant to subdivisions (2) through (6) of this section for such  
6 year is less than the total amount distributed pursuant to such  
7 subdivisions or sections 79-1241 and 79-1243 for the immediately  
8 preceding fiscal year, the minimum core services and technology  
9 infrastructure funds for each educational service unit pursuant to  
10 this subdivision shall be reduced by a percentage equal to the  
11 ratio of the difference of the total amount distributed pursuant  
12 to subdivisions (2) through (6) of this section or sections  
13 79-1241 and 79-1243 for the immediately preceding fiscal year  
14 minus the total amount available to be distributed pursuant to  
15 subdivisions (2) through (6) of this section for the fiscal year  
16 in question divided by the total amount distributed pursuant to  
17 subdivisions (2) through (6) of this section or sections 79-1241  
18 and 79-1243 for the immediately preceding fiscal year. The core  
19 services and technology infrastructure funds received in the fiscal  
20 year immediately preceding a merger or receipt of new member  
21 school districts for an educational service unit shall equal the  
22 amount received in such fiscal year pursuant to subdivisions (2)  
23 through (6) of this section or sections 79-1241 and 79-1243 by any  
24 educational service unit affected by the merger or the transfer  
25 of school districts multiplied by a ratio equal to the valuation

1 that was transferred to or retained by the educational service unit  
2 for which the minimum is being calculated divided by the total  
3 valuation of the educational service unit transferring or retaining  
4 the territory;

5 (4) For fiscal years 2008-09 through 2013-14, each  
6 educational service unit which will not have any member school  
7 districts that are members of a learning community shall receive  
8 core services and technology infrastructure funds under this  
9 section in an amount not less than ninety-five percent of the  
10 total of the core services and technology infrastructure funds that  
11 the educational service unit received in the immediately preceding  
12 fiscal year either pursuant to subdivisions (2) through (6) of  
13 this section or pursuant to sections 79-1241 and 79-1243, except  
14 that if the total amount available to be distributed pursuant to  
15 subdivisions (2) through (6) of this section for such year is less  
16 than the total amount distributed pursuant to such subdivisions or  
17 sections 79-1241 and 79-1243 for the immediately preceding fiscal  
18 year, the minimum core services and technology infrastructure funds  
19 for each educational service unit pursuant to this subdivision  
20 shall be reduced by a percentage equal to the ratio of the  
21 difference of the total amount distributed pursuant to subdivisions  
22 (2) through (6) of this section or sections 79-1241 and 79-1243  
23 for the immediately preceding fiscal year minus the total amount  
24 available to be distributed pursuant to subdivisions (2) through  
25 (6) of this section for the fiscal year in question divided by the

1 total amount distributed pursuant to subdivisions (2) through (6)  
2 of this section or sections 79-1241 and 79-1243 for the immediately  
3 preceding fiscal year;

4 (5) If the minimum core services and technology  
5 infrastructure funds pursuant to subdivision (3) or (4) of this  
6 section for any educational service unit exceed the amount that  
7 would otherwise be distributed to such educational service unit  
8 pursuant to subdivision (2) of this section, the statewide student  
9 allocation shall be reduced such that the total amount to be  
10 distributed pursuant to this section equals the appropriation  
11 for core services and technology infrastructure funds and no  
12 educational service unit receives less than the greater of any  
13 minimum amounts calculated for such educational service unit  
14 pursuant to subdivisions (3) and (4) of this section; and

15 (6) The State Department of Education shall certify the  
16 distribution of core services and technology infrastructure funds  
17 pursuant to subdivisions (2) through (6) of this section to each  
18 educational service unit and learning community on or before July  
19 1, 2008, for school fiscal year 2008-09 and on or before July  
20 1 of each year thereafter for the following school fiscal year.  
21 Any funds appropriated for distribution pursuant to this section  
22 shall be distributed in ten as nearly as possible equal payments  
23 on the first business day of each month beginning in September  
24 of each school fiscal year and ending in June. Funds distributed  
25 to educational service units pursuant to this section shall be

1 used for core services and technology infrastructure with the  
2 approval of representatives of two-thirds of the member school  
3 districts of the educational service unit, representing a majority  
4 of the adjusted students in the member school districts used  
5 in calculations pursuant to this section for such funds. Funds  
6 distributed to learning communities shall be used for learning  
7 community purposes pursuant to sections 79-2104 and 79-2115, with  
8 the approval of the learning community coordinating council.

9 For purposes of this section, the determination of  
10 whether or not a school district will be a member of an educational  
11 service unit or a learning community shall be based on the  
12 information available May 1 for the following school fiscal year.

13 Sec. 16. Section 79-2102, Revised Statutes Supplement,  
14 2007, is amended to read:

15 79-2102 On or before September 15, 2007, and on or  
16 before August 1 of each odd-numbered year following the official  
17 designation of any new city of the metropolitan class or any  
18 valid request to form a new learning community, the Commissioner  
19 of Education shall certify the establishment of a new learning  
20 community with the effective date of the first Thursday after the  
21 first Tuesday in January of the next odd-numbered year following  
22 such certification to the county clerks, election commissioners,  
23 and county assessors of the counties with territory in the new  
24 learning community, to the Property Tax Administrator, to the  
25 State Department of Education, and to the school boards of the

1 member school districts of the new learning community. A learning  
2 community shall be established for each city of the metropolitan  
3 class and shall include all school districts for which the  
4 principal office of the school district is located in the county  
5 where the city of the metropolitan class is located and all school  
6 districts for which the principal office of the school district  
7 is located in a county that has a contiguous border of at least  
8 five miles in the aggregate with such city of the metropolitan  
9 class. A learning community may also be established ~~for one or more~~  
10 ~~counties~~ at the request of the at least three school boards ~~of~~  
11 if (1) all school districts for which the principal office of the  
12 school district is located in ~~the specified county or one or more~~  
13 specified counties if are participating in the request and either  
14 (a) such school districts have are all sparse or very sparse as  
15 determined pursuant to the Tax Equity and Educational Opportunities  
16 Support Act or (b) have a minimum combined total of at least two  
17 thousand students, ~~except that districts in local systems that are~~  
18 ~~in the sparse cost grouping or the very sparse cost grouping as~~  
19 ~~described in section 79-1007.02 need not have a minimum combined~~  
20 ~~total of at least two thousand students but a learning community~~  
21 ~~with fewer than two thousand students shall include at least two~~  
22 ~~school districts.~~ or (2) the school districts participating in the  
23 request have a minimum combined total of at least ten thousand  
24 students. Such requests shall be received by the Commissioner of  
25 Education on or before May 1 of each odd-numbered year.

1           Sec. 17. Section 79-2102.01, Revised Statutes Supplement,  
2 2007, is amended to read:

3           79-2102.01 ~~The Commissioner of Education or his or~~  
4 ~~her designee shall convene a meeting of the newly elected~~  
5 ~~learning community coordinating council during the month of January~~  
6 ~~following the election. At such meeting, the council shall elect~~  
7 ~~officers and shall begin taking the necessary steps to begin~~  
8 ~~operating as a learning community. The commissioner or his or her~~  
9 ~~designee shall schedule and host such meeting and shall serve as a~~  
10 ~~facilitator at such meeting.~~

11           The Secretary of State or his or her designee shall  
12 schedule and host the first meeting of the newly elected learning  
13 community coordinating council during the month of January  
14 following the election and shall schedule and shall host at least  
15 one meeting each month for the immediately following February and  
16 March. The Secretary of State shall preside until the council  
17 elects officers designated by the bylaws. Those officers shall  
18 preside at the following meetings of such council. The Secretary of  
19 State shall serve as a facilitator at such meetings of the council  
20 through March 31 of such year as the council begins taking steps  
21 necessary to operate as a learning community.

22           Sec. 18. Section 79-2104, Revised Statutes Supplement,  
23 2007, is amended to read:

24           79-2104 A learning community coordinating council shall  
25 have the authority to:

1           (1) Levy and distribute a common levy for the general  
2 funds of member school districts pursuant to sections 77-3442 and  
3 79-1073;

4           (2) Levy and distribute a common levy for the special  
5 building funds of member school districts pursuant to sections  
6 77-3442 and 79-1073.01;

7           (3) Levy for capital projects approved by the learning  
8 community coordinating council pursuant to sections 77-3442 and  
9 79-2111;

10           (4) Collect, analyze, and report data and information,  
11 including, but not limited to, information provided by a school  
12 district pursuant to subsection (5) of section 79-201;

13           (5) Approve focus schools and focus programs to be  
14 operated by member school districts;

15           (6) Adopt, approve, and implement ~~an integration and a~~  
16 diversity plan which shall include open enrollment and may include  
17 focus schools, focus programs, ~~and magnet~~ schools, and pathways  
18 pursuant to section 79-2110;

19           (7) Administer the open enrollment provisions in section  
20 79-2110 for the learning community as part of a diversity plan  
21 developed by the council to provide educational opportunities which  
22 will result in increased diversity in schools across the learning  
23 community;

24           (8) Annually conduct school fairs to provide students and  
25 parents the opportunity to explore the educational opportunities

1 available at each school in the learning community and develop  
2 other methods for encouraging access to such information and  
3 promotional materials;

4 (9) Develop and approve reorganization plans for  
5 submission pursuant to the Learning Community Reorganization Act;

6 (10) Establish and administer elementary learning centers  
7 through achievement subcouncils pursuant to sections 79-2112 to  
8 79-2114;

9 (11) Administer the learning community funds distributed  
10 to the learning community pursuant to section 79-2111;

11 (12) Approve or disapprove poverty plans and limited  
12 English proficiency plans for member school districts through  
13 achievement subcouncils established under section 79-2117;

14 (13) Establish a procedure for receiving community input  
15 and complaints regarding the learning community; and

16 (14) Establish a procedure to assist parents, citizens,  
17 and member school districts in accessing an approved center  
18 pursuant to the Dispute Resolution Act to resolve disputes  
19 involving member school districts or the learning community. Such  
20 procedure ~~shall~~ may include payment by the learning community for  
21 ~~such~~ some mediation services.

22 Sec. 19. Each learning community coordinating council  
23 shall have an advisory committee composed of the superintendent  
24 from each member school district or his or her representative.  
25 The advisory committee shall meet at least four times each year

1 to review issues related to open enrollment and proposals for  
2 focus programs, focus schools, magnet schools, and pathways, to  
3 provide recommendations for improving academic achievement across  
4 the learning community, and to provide input to the learning  
5 community coordinating council on other issues as requested.

6           Sec. 20. Section 79-2107, Revised Statutes Supplement,  
7 2007, is amended to read:

8           79-2107 The boundaries of all school districts for which  
9 the principal office of the school district is located in a county  
10 where in which a city of the metropolitan class is located and  
11 all school districts for which the principal office of the school  
12 district is located in a county that has a contiguous border  
13 of at least five miles in the aggregate with such city of the  
14 metropolitan class shall remain as depicted on the map kept by  
15 the county clerk pursuant to section 79-490 as of March 1, 2006,  
16 for cities of the metropolitan class designated as such prior to  
17 January 2008 or as of March 1 immediately preceding the designation  
18 as a city of the metropolitan class for cities designated as such  
19 on or after January 1, 2008, until a learning community has been  
20 established for such city of the metropolitan class, except that  
21 such districts may transfer property to other such districts with  
22 the agreement of the school board of each affected district prior  
23 to the effective date for such learning community.

24           Sec. 21. Section 79-2110, Revised Statutes Supplement,  
25 2007, is amended to read:

1                   79-2110 (1)(a) ~~Each learning community coordinating~~  
2 ~~council, together with its member school districts, shall develop~~  
3 ~~and administer a diversity plan which may be revised from time to~~  
4 ~~time.~~ Each diversity plan shall provide for open enrollment in all  
5 school buildings in the learning community, subject to specific  
6 limitations necessary to bring about diverse enrollments in each  
7 school building in the learning community. Such limitations, for  
8 school buildings other than focus schools and programs other than  
9 focus programs, shall include giving preference at each school  
10 building first to siblings of students who will be enrolled as  
11 continuing students in such school building or program for the  
12 first school year for which enrollment is sought in such school  
13 building and then to students that contribute to the socioeconomic  
14 diversity of enrollment, ~~as defined in section 79-611,~~ at each  
15 building and may include establishing zone limitations in which  
16 students may access several schools other than their home  
17 attendance area school. Notwithstanding the limitations necessary  
18 to bring about diversity, open enrollment shall include providing  
19 access to students who do not contribute to the socioeconomic  
20 diversity of a school building, if, subsequent to the ~~regular~~  
21 ~~enrollment~~ open enrollment selection process that is subject to  
22 limitations necessary to bring about diverse enrollments, capacity  
23 remains in a school building. In such a case, ~~a student who applies~~  
24 students who have applied to attend such school building shall  
25 be selected to attend such school building ~~shall be permitted to~~

1 ~~enroll at such building unless the student on a random basis up~~  
2 ~~to the remaining capacity of such building. A student who has~~  
3 otherwise been disqualified from the school building pursuant to  
4 the school district's code of conduct or related school discipline  
5 ~~rules shall not be eligible for open enrollment pursuant to this~~  
6 ~~section. Any student who attended a particular school building~~  
7 ~~in the prior school year and who is seeking education in the~~  
8 ~~grades offered in such school building shall be allowed to continue~~  
9 ~~attending such school building as a continuing student.~~

10 (b) To facilitate the open enrollment provisions of  
11 this subsection, each school year each member school district  
12 in a learning community shall establish a maximum capacity for  
13 each school building under such district's control pursuant to  
14 procedures and criteria established by the learning community  
15 coordinating council. Each member school district shall also  
16 establish attendance areas for each school building under the  
17 district's control, except that the school board shall not  
18 establish attendance areas for focus schools or focus programs.  
19 The attendance areas shall be established such that all of the  
20 territory of the school district is within an attendance area for  
21 each grade. Students residing in a school district shall be allowed  
22 to attend a school building in such school district.

23 (c) For purposes of this section and section 79-611,  
24 student who contributes to the socioeconomic diversity of  
25 enrollment means (i) a student who does not qualify for free

1 or reduced-price lunches when, based upon official membership,  
2 the school building the student will attend has more students  
3 qualifying for free or reduced-price lunches than the average  
4 percentage of such students in all school buildings in the learning  
5 community or (ii) a student who qualifies for free or reduced-price  
6 lunches when, based upon official membership, the school building  
7 the student will attend has fewer students qualifying for free or  
8 reduced-price lunches than the average percentage of such students  
9 in all school buildings in the learning community.

10 (2)(a) On or before March 15 of each year beginning  
11 with the year immediately following the year in which the initial  
12 coordinating council for the learning community takes office, a  
13 parent or guardian of a student residing in a member school  
14 district in a learning community may submit an application to any  
15 school district in the learning community on behalf of a student  
16 who is applying to attend a school building for the following  
17 school year that is not in an attendance area where the applicant  
18 resides or a focus school, focus program, or magnet school as  
19 such terms are defined in section 79-769. On or before April 1  
20 of each year beginning with the year immediately following the  
21 year in which the initial coordinating council for the learning  
22 community takes office, the school district shall accept or reject  
23 such applications based on the capacity of the school building, the  
24 eligibility of the applicant for the school building or program,  
25 the number of such applicants that will be accepted for a given

1 school building, and whether or not the applicant contributes to  
2 the socioeconomic diversity of the school or program to which he  
3 or she has applied and for which he or she is eligible. The school  
4 district shall notify such parent or guardian in writing of the  
5 acceptance or rejection.

6 (b) A ~~Such~~ parent or guardian may provide information on  
7 the application regarding the applicant's potential qualification  
8 for free or reduced-price lunches. Any such information provided  
9 shall be subject to verification and shall only be used for the  
10 purposes of this section. Nothing in this section requires a parent  
11 or guardian to provide such information. Determinations about an  
12 applicant's qualification for free or reduced-price lunches for  
13 purposes of this section shall be based on any verified information  
14 provided on the application. If no such information is provided the  
15 student shall be presumed not to qualify for free or reduced-price  
16 lunches for the purposes of this section.

17 (c) A student may not apply to attend a school building  
18 in the learning community for any grades that are offered by  
19 another school building for which the student had previously  
20 applied and been accepted pursuant to this section, absent  
21 a hardship exception as established by the individual school  
22 district. On or before September 1 of each year beginning with  
23 the year immediately following the year in which the initial  
24 coordinating council for the learning community takes office,  
25 each school district shall provide to the learning community

1 coordinating council a complete and accurate report of all  
2 applications received, including the number of students who applied  
3 at each grade level at each building, the number of students  
4 accepted at each grade level at each building, the number of  
5 such students that contributed to the socioeconomic diversity that  
6 applied and were accepted, the number of applicants denied and the  
7 rationales for denial, and other such information as requested by  
8 the learning community coordinating council.

9           ~~(b)~~ (3) Each diversity plan may also include  
10 establishment of one or more focus schools or focus programs and  
11 the involvement of every member school district in one or more  
12 magnet pathways across member school districts. Enrollment in each  
13 focus school or focus program shall be designed to reflect the  
14 socioeconomic diversity of the learning community as a whole.  
15 School district selection of students for focus schools or focus  
16 programs shall be on a random basis from two pools of applicants,  
17 those who qualify for free and reduced-price lunches and those who  
18 do not qualify for free and reduced-price lunches. The percentage  
19 of students selected for focus schools from the pool of applicants  
20 who qualify for free and reduced-price lunches shall be as nearly  
21 equal as possible to the percentage of the student body of the  
22 learning community who qualify for free and reduced-price lunches.  
23 The percentage of students selected for focus schools from the  
24 pool of applicants who do not qualify for free and reduced-price  
25 lunches shall be as nearly equal as possible to the percentage of

1 the student body of the learning community who do not qualify for  
2 free and reduced-price lunches. If more capacity exists in a focus  
3 school or program than the number of applicants for such focus  
4 school or program that contribute to the socioeconomic diversity  
5 of the focus school or program, the school district shall randomly  
6 select applicants ~~for approval~~ up to the number of applicants that  
7 will be accepted for such building. A student who will complete the  
8 grades offered at a focus program, focus school, or magnet school  
9 that is part of a pathway shall be allowed to attend the focus  
10 program, focus school, or magnet school offering the next grade  
11 level as part of the pathway as a continuing student. A student who  
12 completes the grades offered at a focus program, focus school, or  
13 magnet school shall not be considered a continuing student in the  
14 school district responsible for the program or school.

15           ~~(c) The goal of the diversity plan shall be to annually~~  
16 ~~increase the socioeconomic diversity of enrollment at each grade~~  
17 ~~level in each school building within the learning community until~~  
18 ~~such enrollment reflects the average socioeconomic diversity of the~~  
19 ~~entire enrollment of the learning community. The learning community~~  
20 ~~shall annually publish statistics on changes in diversity at each~~  
21 ~~grade level in each school building within the learning community.~~

22           ~~(d) Any student who attended a particular school building~~  
23 ~~in the prior school year and who is seeking education in the~~  
24 ~~grades offered in such school building shall be allowed to continue~~  
25 ~~attending such school building as a continuing student.~~

1           ~~(3)~~ (4) On or before February 15 of each year beginning  
2 with the year immediately following the year in which the initial  
3 coordinating council for the learning community takes office, a  
4 parent or guardian of a student who is currently attending a school  
5 building or program, except a magnet school, focus school, or focus  
6 program, outside of the attendance area where the student resides  
7 and who will complete the grades offered at such school building  
8 prior to the following school year shall provide notice, on a form  
9 provided by the school district, to the school board of the school  
10 district containing such school building if such student will  
11 attend another school building within such district as a continuing  
12 student and which school building such student would prefer to  
13 attend. On or before March 1, such school board shall provide a  
14 notice to such parent or guardian stating which school building or  
15 buildings the student shall be allowed to attend in such school  
16 district as a continuing student for the following school year. If  
17 the student resides within the school district, the notice shall  
18 include the school building offering the grade the student will  
19 be entering for the following school year in the attendance area  
20 where the student resides. This subsection shall not apply to focus  
21 schools or programs.

22           ~~(4)~~ A student who will complete the grades offered at a  
23 magnet school shall be allowed to attend the magnet school offering  
24 the next grade level as part of the magnet pathway as a continuing  
25 student.

1           (5) A parent or guardian of a student who moves to a  
2 new residence in the learning community after April 1 may apply  
3 directly to a school board within the learning community within  
4 ninety days after moving for the student to attend a school  
5 building outside of the attendance area where the student resides.  
6 Such school board shall accept or reject such application within  
7 fifteen days after receiving the application, based on the number  
8 of applications and qualifications pursuant to subsection (2) or  
9 (3) of this section for all other students.

10           (6) A parent or guardian of a student who wishes to  
11 change school buildings for emergency or hardship reasons may apply  
12 directly to a school board within the learning community at any  
13 time for the student to attend a school building outside of the  
14 attendance area where the student resides. Such application shall  
15 state the emergency or hardship and shall be kept confidential by  
16 the school board. Such school board shall accept or reject such  
17 application within fifteen days after receiving the application.  
18 Applications shall only be accepted if an emergency or hardship  
19 was presented which justifies an exemption from the procedures in  
20 subsection ~~(3)~~ (4) of this section based on the judgment of such  
21 school board, and such acceptance shall not exceed the number of  
22 applications that will be accepted for the school year pursuant to  
23 subsection (2) or (3) of this section for such building.

24           ~~(7) For purposes of this section, a student is deemed to~~  
25 ~~reside in any attendance area where such student or at least one of~~

1 ~~his or her parents or guardians resides.~~

2           Sec. 22. Section 79-2111, Revised Statutes Supplement,  
3 2007, is amended to read:

4           79-2111 (1) A learning community may levy a maximum  
5 levy pursuant to subdivision (2)(h) of section 77-3442 for the  
6 purchase, construction, or remodeling of elementary learning center  
7 facilities and up to fifty percent of the estimated costs for  
8 capital projects approved pursuant to this section. The proceeds  
9 from such levy shall be used for elementary learning center  
10 facilities and for one-time reductions of the bonded indebtedness  
11 required for approved projects up to fifty percent of the estimated  
12 cost of the approved project. The funds used for reductions of  
13 bonded indebtedness shall be transferred to the school district  
14 for which the project was approved and shall be deposited in such  
15 school district's special building fund for use on such project.

16           (2) The learning community may approve pursuant to this  
17 section funding for capital projects which will include the  
18 purchase, construction, or remodeling of facilities for ~~(a) a~~  
19 focus school or program designed to meet the requirements of  
20 section 79-769. ~~or (b) a school or program that will otherwise~~  
21 specifically attract a more economically and culturally diverse  
22 student body than would otherwise attend a school or program in a  
23 facility at that location. Such approval shall include an estimated  
24 cost for the project and shall state the amount that will be  
25 provided by the learning community for such project.

1           (3) If, within the ten years following receipt of the  
2 funding for a capital project pursuant to this section, a school  
3 district receiving such funding uses the facility purchased,  
4 constructed, or remodeled with such funding for purposes other  
5 than those stated to qualify for the funds, the school district  
6 shall repay such funds to the learning community with interest at  
7 the rate prescribed in section 45-104.02 accruing from the date  
8 the funds were transferred to the school district's building fund  
9 as of the last date the facility was used for such purpose as  
10 determined by the learning community coordinating council or the  
11 date that the learning community coordinating council determines  
12 that the facility will not be used for such purpose or that  
13 such facility will not be purchased, constructed, or remodeled  
14 for such purpose. Interest shall continue to accrue on outstanding  
15 balances until the repayment has been completed. The remaining  
16 terms of repayment shall be determined by the learning community  
17 coordinating council. The learning community coordinating council  
18 may waive such repayment if the facility is used for a different  
19 ~~(a) focus school or program or (b) school or program that will~~  
20 ~~specifically attract a more economically and culturally diverse~~  
21 ~~student body than would attend a school or program in a facility at~~  
22 ~~that location~~ for a period of time that will result in the use of  
23 the facility for qualifying purposes for a total of at least ten  
24 years.

25           Sec. 23. Section 79-2113, Revised Statutes Supplement,

1 2007, is amended to read:

2           79-2113 (1) On or before July 1 immediately following the  
3 establishment of a new learning community, the learning community  
4 coordinating council shall establish at least one elementary  
5 learning center for each twenty-five elementary schools in which at  
6 least thirty-five percent of the students attending the school who  
7 reside in the attendance area of such school qualify for free or  
8 reduced-price lunches.

9           (2) Each achievement subcouncil shall submit a plan to  
10 the learning community coordinating council for any elementary  
11 learning center in its election district and the services to be  
12 provided by such elementary learning center. In developing the  
13 plan, the achievement subcouncil shall seek input from community  
14 resources and collaborate with such resources in order to maximize  
15 the available opportunities and the participation of elementary  
16 students and their families. An achievement subcouncil may, as  
17 part of such plan, recommend services be provided through contracts  
18 with, or grants to, entities other than school districts to  
19 provide some or all of the services. Such entities may include  
20 collaborative groups which may include the participation of a  
21 school district. An achievement subcouncil may also, as part of  
22 such plan, recommend that the elementary learning center serve  
23 as a clearinghouse for recommending programs provided by school  
24 districts or other entities and that the elementary learning center  
25 assist students in accessing such programs.

1           (3) Each elementary learning center shall have at least  
 2 one ~~elementary learning center~~ facility that is located in an  
 3 area with a high concentration of poverty. ~~within the region.~~  
 4 Such facility may be owned or leased by the learning community,  
 5 or the use of the facility may be donated to the learning  
 6 community. Programs offered by the elementary learning center may  
 7 be offered in such facility or in other facilities, including  
 8 school buildings. ~~located within the elementary learning center.~~

9           Sec. 24. Section 79-2115, Revised Statutes Supplement,  
 10 2007, is amended to read:

11           79-2115 (1) Learning community funds distributed pursuant  
 12 to section 79-2103 may be used by the learning community  
 13 coordinating council receiving the funds for:

14           (a) The administration and operation of the learning  
 15 community;

16           (b) The administration, operations, and programs of  
 17 elementary learning centers pursuant to sections 79-2112 to  
 18 79-2114;

19           (c) Supplements for extended hours to teachers in  
 20 elementary schools in which at least thirty-five percent of the  
 21 students attending the school who reside in the attendance area of  
 22 such school qualify for free or reduced-price lunches;

23           (d) Transportation for parents ~~to school functions of~~  
 24 ~~students in elementary schools~~ of elementary students who qualify  
 25 for free or reduced-price lunches to school functions of such

1 students in elementary schools; and

2 (e) Up to six social workers to provide services through  
3 the elementary learning centers; and

4 ~~(e)~~ (f) Pilot projects related to enhancing the academic  
5 achievement of elementary students, particularly students who face  
6 challenges in the educational environment due to factors such as  
7 poverty, limited English skills, and mobility.

8 (2) Each learning community coordinating council shall  
9 adopt policies and procedures for granting supplements for extended  
10 hours and for providing transportation for parents if any such  
11 funds are to be used for such purposes. An example of a pilot  
12 project that could receive such funds would be a school designated  
13 as Jump Start Center focused on providing intensive literacy  
14 services for elementary students with low reading scores.

15 (3) A learning community coordinating council shall  
16 provide for financial audits and evaluations of effectiveness  
17 of elementary learning centers and pilot projects receiving funds  
18 pursuant to this section. A learning community coordinating council  
19 shall serve as the recipient of private funds donated to support  
20 any elementary learning center or pilot project receiving funds  
21 pursuant to this section from such learning community coordinating  
22 council and shall assure that the use of such private funds is  
23 included in the financial audits required pursuant to this section.

24 Sec. 25. Section 79-2117, Revised Statutes Supplement,  
25 2007, is amended to read:

1                   79-2117 Each learning community coordinating council  
2 shall designate the three voting members representing each election  
3 district as the achievement subcouncil for such election district.  
4 Each achievement subcouncil shall meet as necessary but shall meet  
5 and conduct a public hearing within its election district at least  
6 once each school year. Each achievement subcouncil shall:

7                   (1) Develop a diversity plan recommendation for the  
8 territory in its election district that will provide educational  
9 opportunities which will result in increased diversity in schools  
10 in the election district;

11                   (2) Administer elementary learning centers in cooperation  
12 with the elementary learning center executive director;

13                   (3) Review and approve or disapprove of the poverty plans  
14 and limited English proficiency plans for the schools located in  
15 its election district;

16                   (4) Receive community input and complaints regarding  
17 the learning community and academic achievement in the election  
18 district; and

19                   (5) Hold public hearings at its discretion in its  
20 election district in response to issues raised by residents of  
21 the election district regarding the learning community, a member  
22 school district, and academic achievement in the election district.

23                   Sec. 26. Section 79-2118, Revised Statutes Supplement,  
24 2007, is amended to read:

25                   79-2118 (1) Each learning community, together with its

1 member school districts, shall develop a diversity plan to provide  
2 educational opportunities pursuant to sections 79-769 and 79-2110  
3 in each election district designed to attract students from diverse  
4 backgrounds, which plan may be revised from time to time. The  
5 initial diversity plan shall be completed by December 31 of the  
6 year the initial learning community coordinating council for the  
7 learning community takes office. The goal of the diversity plan  
8 shall be to annually increase the socioeconomic diversity of  
9 enrollment at each grade level in each school building within  
10 the learning community until such enrollment reflects the average  
11 socioeconomic diversity of the entire enrollment of the learning  
12 community.

13       (2) Each diversity plan for a learning community shall  
14 include specific provisions relating to each election district  
15 ~~with~~ within such learning community. The specific provisions  
16 relating to each election district shall be approved by both  
17 the achievement subcouncil for such district and by the learning  
18 community coordinating council.

19       (3) The learning community coordinating council shall  
20 report to the Education Committee of the Legislature on or  
21 before December 1 of each even-numbered year on the diversity  
22 ~~in the school or~~ and changes in diversity at each grade level  
23 in each school building within the learning community and on  
24 the academic achievement for different demographic groups in each  
25 school building within the learning community.

1           Sec. 27. Section 81-1203, Reissue Revised Statutes of  
2 Nebraska, is amended to read:

3           81-1203 (1) A business applying for a job training  
4 grant shall submit a business plan to the Department of Economic  
5 Development which includes, but is not limited to:

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

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

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

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

13          (2) A business applying for a job training grant must  
14 demonstrate that the job training project to be conducted pursuant  
15 to the grant meets the following criteria:

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

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

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

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

23          (e) The new jobs will be created within three calendar  
24 years.

25          (3) A business applying for a job training grant

1 may partner with a learning community coordinating council or  
2 school district and at least one private, nonprofit organization  
3 whose purpose is providing basic job and life skills training  
4 to individuals in high-poverty areas. Such projects shall be  
5 focused on job training and job creation for persons residing in  
6 high-poverty areas within the boundaries of the partnering learning  
7 community or school district. The application shall specify the  
8 role of the partnering coordinating council or school district and  
9 the private, nonprofit organization in identifying and training  
10 potential job applicants for the applicant business. For purposes  
11 of this subsection: (a) High-poverty area means an area consisting  
12 of one or more contiguous census tracts, as determined by the  
13 most recent federal decennial census, which contain a percentage of  
14 persons with incomes below the poverty line of greater than thirty  
15 percent, and all census tracts contiguous to such tract or tracts,  
16 as determined by the most recent federal decennial census; and (b)  
17 private, nonprofit organization means an organization whose purpose  
18 is providing basic job and life skills training to individuals in  
19 need of such training.

20           Sec. 28. Section 81-1204, Reissue Revised Statutes of  
21 Nebraska, is amended to read:

22           81-1204 ~~The~~ Except as otherwise provided in this section,  
23 the Department of Economic Development shall not approve a job  
24 training grant which exceeds an average expenditure of five  
25 thousand dollars per job created if the proposed wage levels

1 do not exceed thirty thousand dollars per year or which exceeds an  
2 average expenditure of ten thousand dollars per job if the proposed  
3 wage levels exceed thirty thousand dollars per year.

4 The Department of Economic Development may approve a job  
5 training grant up to ten thousand dollars per job created if the  
6 proposed wage levels do not exceed thirty thousand dollars per  
7 year or a job training grant up to fifteen thousand dollars per  
8 job if the proposed wage levels exceed thirty thousand dollars per  
9 year, if the application is approved with provisions described in  
10 subsection (3) of section 81-1203.

11 Sec. 29. Original sections 79-234, 79-1202, 79-1210,  
12 79-1225, 81-1203, and 81-1204, Reissue Revised Statutes of  
13 Nebraska, sections 13-508, 13-519, and 79-201, Revised Statutes  
14 Cumulative Supplement, 2006, sections 32-546.01, 32-604, 77-3442,  
15 79-611, 79-769, 79-1073, 79-1241.03, 79-2102, 79-2102.01, 79-2104,  
16 79-2107, 79-2110, 79-2111, 79-2113, 79-2115, 79-2117, and 79-2118,  
17 Revised Statutes Supplement, 2007, and section 46, Legislative Bill  
18 988, One Hundredth Legislature, Second Session, 2008, are repealed.