

AMENDMENTS TO LB 549

Introduced by Education.

1           1. Strike the original sections and insert the following  
2 new sections:

3           Section 1. Section 13-518, Reissue Revised Statutes of  
4 Nebraska, is amended to read:

5           13-518 For purposes of sections 13-518 to 13-522:

6           (1) Allowable growth means (a) for governmental units  
7 other than community colleges, the percentage increase in taxable  
8 valuation in excess of the base limitation established under  
9 section 77-3446, if any, due to improvements to real property as  
10 a result of new construction, additions to existing buildings,  
11 any improvements to real property which increase the value of  
12 such property, and any increase in valuation due to annexation  
13 and any personal property valuation over the prior year and (b)  
14 for community colleges, (i) for fiscal years prior to fiscal year  
15 2003-04 and after fiscal year 2004-05 until fiscal year 2007-08,  
16 the percentage increase in excess of the base limitation, if  
17 any, in full-time equivalent students from the second year to  
18 the first year preceding the year for which the budget is being  
19 determined, (ii) for fiscal year 2003-04 and fiscal year 2004-05,  
20 the percentage increase in full-time equivalent students from the  
21 second year to the first year preceding the year for which the  
22 budget is being determined, and (iii) for fiscal year 2007-08 and  
23 each fiscal year thereafter, community college areas may exceed the

1 base limitation to equal base revenue need calculated pursuant to  
2 section 85-2223;

3 (2) Capital improvements means (a) acquisition of real  
4 property or (b) acquisition, construction, or extension of any  
5 improvements on real property;

6 (3) Governing body has the same meaning as in section  
7 13-503;

8 (4) Governmental unit means every political subdivision  
9 which has authority to levy a property tax or authority to  
10 request levy authority under section 77-3443 except sanitary and  
11 improvement districts which have been in existence for five years  
12 or less and school districts;

13 (5) Qualified sinking fund means a fund or funds  
14 maintained separately from the general fund to pay for acquisition  
15 or replacement of tangible personal property with a useful life of  
16 five years or more which is to be undertaken in the future but  
17 is to be paid for in part or in total in advance using periodic  
18 payments into the fund. The term includes sinking funds under  
19 subdivision (13) of section 35-508 for firefighting and rescue  
20 equipment or apparatus;

21 (6) Restricted funds means (a) property tax, excluding  
22 any amounts refunded to taxpayers, (b) payments in lieu of property  
23 taxes, (c) local option sales taxes, (d) motor vehicle taxes, (e)  
24 state aid, (f) transfers of surpluses from any user fee, permit  
25 fee, or regulatory fee if the fee surplus is transferred to fund a  
26 service or function not directly related to the fee and the costs  
27 of the activity funded from the fee, (g) any funds excluded from

1 restricted funds for the prior year because they were budgeted for  
2 capital improvements but which were not spent and are not expected  
3 to be spent for capital improvements, (h) the tax provided in  
4 sections 77-27,223 to 77-27,227 beginning in the second fiscal year  
5 in which the county will receive a full year of receipts, and (i)  
6 any excess tax collections returned to the county under section  
7 77-1776; and

8 (7) State aid means:

9 (a) For all governmental units, state aid paid pursuant  
10 to sections 60-3,202 and 77-3523;

11 (b) For municipalities, state aid to municipalities  
12 paid pursuant to sections 18-2605, 39-2501 to 39-2520, 60-3,190,  
13 77-27,136, and 77-27,139.04 and insurance premium tax paid to  
14 municipalities;

15 (c) For counties, state aid to counties paid pursuant  
16 to sections 39-2501 to 39-2520, 47-119.01, 60-3,184 to 60-3,190,  
17 77-27,136, and 77-3618, insurance premium tax paid to counties,  
18 and reimbursements to counties from funds appropriated pursuant to  
19 section 29-3933;

20 (d) For community colleges, state aid to community  
21 colleges paid under the Community College Foundation and  
22 Equalization Aid Act;

23 (e) For natural resources districts, state aid to natural  
24 resources districts paid pursuant to section 77-27,136;

25 (f) For educational service units, state aid appropriated  
26 under ~~section 79-1241;~~ sections 79-1241.01 to 79-1241.03; and

27 (g) For local public health departments as defined in

1 section 71-1626, state aid as distributed under section 71-1628.08.

2           Sec. 2. Section 43-2007, Reissue Revised Statutes of  
3 Nebraska, is amended to read:

4           43-2007 (1) Upon notification by the patrol of a missing  
5 person, any school in which the missing person is currently or was  
6 previously enrolled shall flag the school records of such person  
7 in such school's possession. The school shall report immediately  
8 any request concerning a flagged record or any knowledge of the  
9 whereabouts of the missing person.

10           (2) Upon enrollment of a student for the first time  
11 in a public school district or private school system, the school  
12 of enrollment shall notify in writing the person enrolling the  
13 student that within thirty days he or she must provide either (a)  
14 a certified copy of the student's birth certificate or (b) other  
15 reliable proof of the student's identity and age accompanied by an  
16 affidavit explaining the inability to produce a copy of the birth  
17 certificate.

18           (3) ~~The parent or guardian of a child~~ Upon enrollment  
19 of a student who is receiving his or her education in a ~~home~~ an  
20 exempt school subject to sections 79-1601 to 79-1607, the parent  
21 or guardian of such student shall, ~~not later than October 1 of the~~  
22 ~~first year of the child's attendance at the home school,~~ provide  
23 to the Commissioner of Education either (a) a certified copy of  
24 the ~~child's~~ student's birth certificate or (b) other reliable  
25 proof of the ~~child's~~ student's identity and age accompanied by an  
26 affidavit explaining the inability to produce a copy of the birth  
27 certificate.

1           (4) Upon failure of the person, parent, or guardian to  
2 comply with subsection (2) or (3) of this section, the school  
3 or Commissioner of Education shall notify such person, parent, or  
4 guardian in writing that unless he or she complies within ten  
5 days the matter shall be referred to the local law enforcement  
6 agency for investigation. If compliance is not obtained within  
7 such ten-day period, the school or commissioner shall immediately  
8 report such matter. Any affidavit received pursuant to subsection  
9 (2) or (3) of this section that appears inaccurate or suspicious  
10 in form or content shall be reported immediately to the local law  
11 enforcement agency by the school or commissioner.

12           (5) Any school requested to forward a copy of a  
13 transferred student's record shall not forward a copy of such  
14 record to the requesting school if the record has been flagged  
15 pursuant to subsection (1) of this section. If such record has been  
16 flagged, the school to whom such request is made shall notify the  
17 local law enforcement agency of the request and that such student  
18 is a reported missing person.

19           Sec. 3. Section 60-658, Reissue Revised Statutes of  
20 Nebraska, is amended to read:

21           60-658 School bus shall mean any motor vehicle which  
22 complies with the ~~color and identification requirements as provided~~  
23 ~~in the laws of this state or set forth in the 1990 Revised Edition~~  
24 ~~of the National Standards for School Buses and National Standards~~  
25 ~~for School Bus Operations, available from the National Safety~~  
26 ~~Council, general design, equipment, and color requirements adopted~~  
27 ~~and promulgated pursuant to subdivision (13) of section 79-318 and~~

1 which is used to transport ~~children~~ students to or from school  
2 or in connection with school activities but shall not include  
3 buses operated by common carriers in urban transportation of school  
4 ~~children~~ students.

5 Sec. 4. Section 79-233, Reissue Revised Statutes of  
6 Nebraska, as amended by section 1, Legislative Bill 62, One Hundred  
7 First Legislature, First Session, 2009, is amended to read:

8 79-233 For purposes of sections 79-232 to 79-246:

9 (1) Enrollment option program means the program  
10 established in section 79-234;

11 (2) Option school district means the public school  
12 district that an option student chooses to attend instead of  
13 his or her resident school district;

14 (3) Option student means a student that has chosen to  
15 attend an option school district, including a student who resides  
16 in a learning community and began attendance as an option student  
17 in an option school district in such learning community prior to  
18 the end of the first full school year for which the option school  
19 district will be a member of such learning community, but not  
20 including a student who resides in a learning community and who  
21 attends pursuant to section 79-2110 another school district in such  
22 learning community;

23 (4) Resident school district means the public school  
24 district in which a student resides or the school district in  
25 which the student is admitted as a resident of the school district  
26 pursuant to section 79-215; and

27 (5) Siblings means all children residing in the same

1 household on a permanent basis who have the same mother or father  
2 or who are stepbrother or stepsister to each other.

3 Sec. 5. 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  
11 (a) the student relocates to a different resident school district,  
12 (b) the option school district merges with another district, (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. In the case of an event described in subdivision (1)(a)~~  
21 ~~or (b) of this section, the student's parent or guardian shall~~  
22 ~~submit an application to the new option school district within~~  
23 ~~thirty days after the date of relocation or the effective date of~~  
24 ~~the merger. This subsection does not relieve a parent or guardian~~  
25 ~~from the compulsory attendance requirements in section 79-201~~  
26 ~~during the pendency of such application or approval.~~

27 (2) The program shall not apply to ~~(a) any student~~

1 who resides in a Class I district which has not affiliated and  
2 which contracts or has contracted in either or both of the two  
3 prior school years with another district or districts in such  
4 student's grade level pursuant to section 79-598 or (b) any student  
5 who resides in a district which has entered into an annexation  
6 agreement pursuant to section 79-473, except that such student may  
7 transfer to another district which accepts option students.

8           Sec. 6. Section 79-237, Reissue Revised Statutes of  
9 Nebraska, as amended by section 2, Legislative Bill 62, One Hundred  
10 First Legislature, First Session, 2009, is amended to read:

11           79-237 (1) For a student to begin attendance as an option  
12 student in an option school district which is not in a learning  
13 community in which the student resides, the student's parent or  
14 legal guardian shall submit an application to the school board  
15 of the option school district between September 1 and March 15  
16 for attendance during the following and subsequent school years.  
17 Applications submitted after March 15 shall be accompanied by a  
18 written release contain a release approval from the resident school  
19 district on the application form prescribed and furnished by the  
20 State Department of Education pursuant to subsection (7) of this  
21 section. A district may not accept or approve any applications  
22 submitted after such date without such a release approval. The  
23 option school district shall provide the resident school district  
24 with the name of the applicant on or before April 1 or, in the  
25 case of an application submitted after March 15, within sixty  
26 days after submission. The option school district shall notify, in  
27 writing, the parent or legal guardian of the student, the resident

1 school district, and the State Department of Education whether the  
2 application is accepted or rejected on or before April 1 or, in the  
3 case of an application submitted after March 15, within sixty days  
4 after submission.

5 (2) For a student who resides in a learning community  
6 to begin attendance in an option school district which is a  
7 member of such learning community, the student's parent or legal  
8 guardian shall submit an application to the school board of the  
9 option school district (a) for any learning community established  
10 prior to the effective date of this act, between the effective  
11 date of this act and April 1, 2009, or (b) for any learning  
12 community established thereafter, between September 1 and March 15.  
13 Applications submitted after such deadlines shall be accompanied  
14 by a written release from the resident school district. Students  
15 who reside in a learning community shall only begin attendance  
16 in an option school district which is a member of such learning  
17 community prior to the end of the first full school year for  
18 which the option school district is a member of such learning  
19 community. The option school district shall provide the resident  
20 school district with the name of the applicant within five days  
21 after the applicable deadline. The option school district shall  
22 notify, in writing, the parent or legal guardian of the student,  
23 the resident school district, and the State Department of Education  
24 whether the application is accepted or rejected on or before  
25 April 10 for applications submitted for school year 2009-10 and  
26 on or before April 1 for applications submitted for any school  
27 year thereafter. A parent or guardian may provide information on

1 the application regarding the applicant's potential qualification  
2 for free or reduced-price lunches. Any such information provided  
3 shall be subject to verification and shall only be used for  
4 the purposes of subsection (3) of section 79-238. Nothing in  
5 this subsection requires a parent or guardian to provide such  
6 information. Determinations about an applicant's qualification for  
7 free or reduced-price lunches for purposes of subsection (3) of  
8 section 79-238 shall be based on any verified information provided  
9 on the application. If no such information is provided, the student  
10 shall be presumed not to qualify for free or reduced-price lunches  
11 for the purposes of subsection (3) of section 79-238.

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

15 (4) No option student shall attend an option school  
16 district for less than one school year unless the student relocates  
17 to a different resident school district, completes requirements for  
18 graduation prior to the end of his or her senior year, transfers  
19 to a private or parochial school, or upon mutual agreement of the  
20 resident and option school districts cancels the enrollment option  
21 and returns to the resident school district.

22 (5) Except as provided in subsection (4) of this section,  
23 the option student shall attend the option school district until  
24 graduation unless the student relocates in a different resident  
25 school district, transfers to a private or parochial school, or  
26 chooses to return to the resident school district.

27 (6) In each case of cancellation pursuant to subsections

1 (4) and (5) of this section, the student's parent or legal guardian  
2 shall ~~notify~~ provide written notification to the school board  
3 of the option school district, ~~and~~ the resident school district,  
4 and the department ~~by March 15 for automatic approval for the~~  
5 following school year, on forms prescribed and furnished by the  
6 department under subsection (7) of this section in advance of such  
7 cancellation.

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

10 (8) An option student who subsequently chooses to attend  
11 a private or parochial school shall be automatically accepted to  
12 return to either the resident school district or option school  
13 district upon the completion of the grade levels offered at the  
14 private or parochial school. If such student chooses to return to  
15 the option school district, the student's parent or legal guardian  
16 shall submit another application to the school board of the option  
17 school district which shall be automatically accepted, and the  
18 deadlines prescribed in this section shall be waived.

19 Sec. 7. Section 79-238, Reissue Revised Statutes of  
20 Nebraska, as amended by section 3, Legislative Bill 62, One Hundred  
21 First Legislature, First Session, 2009, is amended to read:

22 79-238 (1) Except as provided in section 79-240, the  
23 school board of the option school district shall adopt by  
24 resolution specific standards for acceptance and rejection of  
25 applications. Standards may include the capacity of a program,  
26 class, grade level, or school building or the availability of  
27 appropriate special education programs operated by the option

1 district. Capacity shall be determined by setting a maximum number  
2 of option students that a district will accept in any program,  
3 class, grade level, or school building, based upon available  
4 staff, facilities, projected enrollment of resident students,  
5 projected number of students with which the option district  
6 will contract based on existing contractual arrangements, and  
7 availability of appropriate special education programs. The school  
8 board of the option school district may by resolution declare  
9 a program, a class, or a school unavailable to option students  
10 due to lack of capacity. Standards shall not include previous  
11 academic achievement, athletic or other extracurricular ability,  
12 disabilities, proficiency in the English language, or previous  
13 disciplinary proceedings except as provided in section 79-266.01.  
14 False or substantively misleading information submitted by a parent  
15 or guardian on an application to an option school district may  
16 be cause for the option school district to reject a previously  
17 accepted application if the rejection occurs prior to the student's  
18 attendance as an option student.

19 (2) The school board of every school district shall also  
20 adopt standards and conditions for acceptance or rejection of a  
21 request for release of a resident student submitting an application  
22 to an option district after March 15 under subdivision (1) of  
23 section 79-237.

24 ~~(2)~~ (3) Any option school district shall give first  
25 priority for enrollment to siblings of option students, except that  
26 the option school district shall not be required to accept the  
27 sibling of an option student if the district is at capacity except

1 as provided in ~~subsections (2) and (4)~~ subsection (1) of section  
2 79-240.

3 ~~(3)~~ (4) Any option school district that is in a learning  
4 community shall give second priority for enrollment to students  
5 who reside in the learning community and who contribute to the  
6 socioeconomic diversity of enrollment as defined in section 79-2110  
7 at the school building to which the student will be assigned  
8 pursuant to section 79-235.

9 Sec. 8. Section 79-239, Reissue Revised Statutes of  
10 Nebraska, is amended to read:

11 79-239 If an application is rejected by the option school  
12 district or ~~by~~ if the resident school district rejects a request  
13 for release under subsection (1) of section 79-237, the rejecting  
14 school district shall ~~state in the notification the reason for the~~  
15 ~~rejection.~~ provide written notification to the parent or guardian  
16 stating the reasons for the rejection and the process for appealing  
17 such rejection to the State Board of Education. Such notification  
18 shall be sent by certified mail. The parent or legal guardian may  
19 appeal a rejection to the State Board of Education by filing a  
20 written request, together with a copy of the rejection notice,  
21 with the State Board of Education. Such request and copy of the  
22 notice must be received by the board within thirty days after the  
23 date the notification of the rejection was received by the parent  
24 or legal guardian. Such hearing shall be held in accordance with  
25 the Administrative Procedure Act and shall determine whether the  
26 procedures of sections 79-234 to 79-241 have been followed.

27 Sec. 9. Section 79-240, Reissue Revised Statutes of

1 Nebraska, is amended to read:

2           79-240 ~~(1)~~ Upon agreement of the school boards or boards  
3 of education of the resident school district and the option school  
4 district, the deadlines for application and approval or rejection  
5 prescribed in section 79-237 may be waived.

6           ~~(2)~~ (1) The application of a student who relocates in a  
7 different school district but wants to continue attending his or  
8 her original resident school district and who has been enrolled in  
9 his or her original resident school district for the immediately  
10 preceding two years shall be automatically accepted, and the  
11 deadlines prescribed in section 79-237 shall be waived.

12           ~~(3)~~ (2) The application of an option student who  
13 relocates in a different school district but wants to continue  
14 attending the option school district shall be automatically  
15 accepted, and the deadlines prescribed in section 79-237 shall be  
16 waived.

17           ~~(4)~~ The sibling of any option student who has, before  
18 April 6, 1996, been accepted as an option student in the district  
19 in which the option student is enrolled shall be eligible to  
20 continue attending the option school district as an option student  
21 as provided in section 79-234.

22           Sec. 10. Section 79-2,104, Reissue Revised Statutes of  
23 Nebraska, is amended to read:

24           79-2,104 (1) Any student in any public school or  
25 his or her parents, guardians, teachers, counselors, or school  
26 administrators shall have access to the school's files or records  
27 maintained concerning such student, including the right to inspect,

1 review, and obtain copies of such files or records. No other person  
2 shall have access to such files or records, ~~and the~~ except (a) when  
3 a parent, guardian, or student of majority age provides written  
4 consent or (b) as provided in subsection (3) of this section. The  
5 contents of such files or records shall not be divulged in any  
6 manner to any unauthorized person. All such files or records shall  
7 be maintained so as to separate academic and disciplinary matters,  
8 and all disciplinary material shall be removed and destroyed after  
9 a student's continuous absence from the school for a period of  
10 three years.

11 (2) Each public school may establish a schedule of fees  
12 representing a reasonable cost of reproduction for copies of a  
13 student's files or records for the parents or guardians of such  
14 student, except that the imposition of a fee shall not prevent  
15 parents of students from exercising their right to inspect and  
16 review the students' files or records and no fee shall be charged  
17 to search for or retrieve any student's files or records.

18 ~~(3)~~ (3)(a) This section does not preclude authorized  
19 representatives of ~~(a)~~ (i) auditing officials of the United  
20 States, ~~(b)~~ (ii) auditing officials of this state, or ~~(c)~~  
21 (iii) state educational authorities from having access to student  
22 or other records which are necessary in connection with the  
23 audit and evaluation of federally supported or state-supported  
24 education programs or in connection with the enforcement of  
25 legal requirements which relate to such programs, except that,  
26 when collection of personally identifiable data is specifically  
27 authorized by law, any data collected by such officials with

1 respect to individual students shall be protected in a manner  
2 which shall not permit the personal identification of students  
3 and their parents by other than the officials listed in this  
4 subsection. Personally identifiable data shall be destroyed when no  
5 longer needed for such audit, evaluation, or enforcement of legal  
6 requirements.

7 (b) This section does not preclude or prohibit the  
8 disclosure of student records to any other person or entity which  
9 may be allowed to have access pursuant to the federal Family  
10 Educational Rights and Privacy Act of 1974, 20 U.S.C. 1232g,  
11 as such act existed on January 1, 2009, and regulations adopted  
12 thereunder.

13 Sec. 11. Section 79-2,105, Reissue Revised Statutes of  
14 Nebraska, is amended to read:

15 79-2,105 A copy of a public or private school's files  
16 or records concerning a student, including academic and any  
17 disciplinary material relating to any suspension or expulsion,  
18 shall be provided at no charge, upon request, to any public or  
19 private school to which the student transfers.

20 Sec. 12. Section 79-304, Reissue Revised Statutes of  
21 Nebraska, is amended to read:

22 79-304 The Commissioner of Education shall ~~(1)~~ (1)(a) be  
23 a person of superior educational attainments, ~~(2)~~ (b) have had  
24 many years of experience, ~~(3)~~ (c) have demonstrated personal and  
25 professional leadership in the administration of public education,  
26 and ~~(4)~~ (d) be eligible to qualify for the highest grade of  
27 school administrator certificate currently issued in the state

1 or (2) possess a combination of education, skills, administrative  
2 experiences in public education, and other such qualifications as  
3 determined by the State Board of Education.

4           Sec. 13. Section 79-305, Reissue Revised Statutes of  
5 Nebraska, is amended to read:

6           79-305 The Commissioner of Education as the executive  
7 officer of the State Board of Education shall: (1) Have an  
8 office in the city of Lincoln in which shall be housed the  
9 records of the State Board of Education and the State Department  
10 of Education, which records shall be subject at all times to  
11 examination by the Governor, the Auditor of Public Accounts,  
12 and committees of the Legislature; (2) keep the board currently  
13 informed and advised on the operation and status of all aspects  
14 of the educational program of the state under its jurisdiction;  
15 (3) prepare a budget for financing the activities of the board and  
16 the department, including the internal operation and maintenance  
17 of the department, and upon approval by the board administer the  
18 same in accordance with appropriations by the Legislature; (4)  
19 voucher the expenses of the department according to the rules  
20 and regulations prescribed by the board; (5) be responsible for  
21 promoting the efficiency, welfare, and improvement in the school  
22 system in the state and for recommending to the board such  
23 policies, standards, rules, and regulations as may be necessary  
24 to attain these purposes; (6) promote educational improvement by  
25 (a) outlining and carrying out plans and conducting essential  
26 activities for the preparation of curriculum and other materials,  
27 (b) providing necessary supervisory and consultative services,

1 (c) holding conferences of professional educators and other civic  
2 leaders, (d) conducting research, experimentation, and evaluation  
3 of school programs and activities, and (e) in other ways assisting  
4 in the development of effective education in the state; ~~(7) decide~~  
5 ~~disputed points of school law, which decisions shall have the~~  
6 ~~force of law until changed by the courts;~~ ~~(8)~~ (7) issue teachers'  
7 certificates according to the provisions of law and the rules  
8 and regulations prescribed by the board; and ~~(9)~~ (8) attend or,  
9 in case of necessity, designate a representative to attend all  
10 meetings of the board except when the order of business of the  
11 board is the selection of a Commissioner of Education. None of the  
12 duties prescribed in this section or in section 79-306 prevent the  
13 commissioner from exercising such other duties as in his or her  
14 judgment and with the approval of the board are necessary to the  
15 proper and legal exercise of his or her obligations.

16 Sec. 14. Section 79-306, Reissue Revised Statutes of  
17 Nebraska, is amended to read:

18 79-306 The Commissioner of Education shall be the  
19 administrative head of the State Department of Education and  
20 as such shall ~~have the authority to~~ (1) have the authority to  
21 delegate administrative and supervisory functions to the members  
22 of the staff of the department, (2) establish and maintain an  
23 appropriate system of personnel administration for the department,  
24 (3) prescribe such administrative rules and regulations as are  
25 necessary for the proper execution of duties and responsibilities  
26 placed upon him or her, ~~and~~ (4) perform all duties prescribed by  
27 the Legislature in accordance with the policies adopted by the

1 State Board of Education, and (5) faithfully execute the policies  
2 and directives of the State Board of Education.

3 Sec. 15. Section 79-310, Reissue Revised Statutes of  
4 Nebraska, is amended to read:

5 79-310 The State Board of Education shall be composed of  
6 eight members who shall be elected as provided in section 32-511.  
7 The Commissioner of Education shall not be a member of the State  
8 Board of Education.

9 Sec. 16. Section 79-313, Reissue Revised Statutes of  
10 Nebraska, is amended to read:

11 79-313 No person shall be eligible to membership on  
12 the State Board of Education (1) who is actively engaged in the  
13 teaching profession, (2) who is a holder of any state office,  
14 or a member of a state board or commission unless the board or  
15 commission is limited to an advisory capacity, ~~or a candidate~~  
16 ~~for any state office, or board or commission unless the board or~~  
17 ~~commission is limited to an advisory capacity,~~ or (3) unless he or  
18 she is a citizen of the United States, a resident of the state for  
19 a period of at least six months, and a resident of the district  
20 from which he or she is elected for a period of at least six months  
21 immediately preceding his or her election.

22 Sec. 17. Section 79-317, Reissue Revised Statutes of  
23 Nebraska, is amended to read:

24 79-317 (1) The State Board of Education shall meet  
25 regularly and periodically in the office of the State Department  
26 of Education at least four times annually. ~~Meetings shall be held~~  
27 ~~during the first full week in June and during the first full week~~

1 ~~in December of each year. The board may meet and~~ at such other  
2 times and places as it may determine necessary for the proper and  
3 efficient conduct of its duties. ~~Special~~ All meetings may shall be  
4 called in accordance with this section and the Open Meetings Act.  
5 Five members of the board shall constitute a quorum.

6 (2) The public shall be admitted to all meetings of the  
7 State Board of Education except to such closed sessions as the  
8 board may direct in accordance with the Open Meetings Act. The  
9 board shall cause to be kept a record of all public meetings  
10 and proceedings of the board. The commissioner, or his or her  
11 designated representative, shall be present at all meetings except  
12 when the order of business for the board is the selection of a  
13 Commissioner of Education.

14 (3) The members of the State Board of Education shall  
15 receive no compensation for their services but shall be reimbursed  
16 for actual and essential expenses incurred in attending meetings or  
17 incurred in the performance of duties as directed by the board as  
18 provided in sections 81-1174 to 81-1177.

19 Sec. 18. Section 79-318, Reissue Revised Statutes of  
20 Nebraska, is amended to read:

21 79-318 The State Board of Education shall:

22 (1) Appoint and fix the compensation of the Commissioner  
23 of Education;

24 (2) Remove the commissioner from office at any time for  
25 conviction of any crime involving moral turpitude or felonious act,  
26 for inefficiency, or for willful and continuous disregard of his or  
27 her duties as commissioner or of the directives of the board;

1           (3) Upon recommendation of the commissioner, appoint and  
2 fix the compensation of a deputy commissioner and all professional  
3 employees of the board;

4           (4) Organize the State Department of Education into such  
5 divisions, branches, or sections as may be necessary or desirable  
6 to perform all its proper functions and to render maximum service  
7 to the board and to the state school system;

8           (5) Provide, through the commissioner and his or her  
9 professional staff, enlightened professional leadership, guidance,  
10 and supervision of the state school system, including educational  
11 service units. In order that the commissioner and his or her  
12 staff may carry out their duties, the board shall, through the  
13 commissioner: (a) Provide supervisory and consultation services  
14 to the schools of the state; (b) issue materials helpful in the  
15 development, maintenance, and improvement of educational facilities  
16 and programs; (c) establish rules and regulations which govern  
17 standards and procedures for the approval and legal operation  
18 of all schools in the state and for the accreditation of all  
19 schools requesting state accreditation. All public, private,  
20 denominational, or parochial schools shall either comply with  
21 the accreditation or approval requirements prescribed in this  
22 section and section 79-703 or, for those schools which elect not  
23 to meet accreditation or approval requirements, the requirements  
24 prescribed in subsections (2) through (6) of section 79-1601.  
25 Standards and procedures for approval and accreditation shall  
26 be based upon the program of studies, guidance services, the  
27 number and preparation of teachers in relation to the curriculum

1 and enrollment, instructional materials and equipment, science  
2 facilities and equipment, library facilities and materials, and  
3 health and safety factors in buildings and grounds. Rules and  
4 regulations which govern standards and procedures for private,  
5 denominational, and parochial schools which elect, pursuant to the  
6 procedures prescribed in subsections (2) through (6) of section  
7 79-1601, not to meet state accreditation or approval requirements  
8 shall be as described in such section; (d) institute a statewide  
9 system of testing to determine the degree of achievement and  
10 accomplishment of all the students within the state's school  
11 systems if it determines such testing would be advisable;  
12 (e) prescribe a uniform system of records and accounting for  
13 keeping adequate educational and financial records, for gathering  
14 and reporting necessary educational data, and for evaluating  
15 educational progress; (f) cause to be published laws, rules, and  
16 regulations governing the schools and the school lands and funds  
17 with explanatory notes for the guidance of those charged with the  
18 administration of the schools of the state; (g) approve teacher  
19 education programs conducted in Nebraska postsecondary educational  
20 institutions designed for the purpose of certificating teachers  
21 and administrators; (h) approve teacher evaluation policies and  
22 procedures developed by school districts and educational service  
23 units; and (i) approve general plans and adopt educational  
24 policies, standards, rules, and regulations for carrying out the  
25 board's responsibilities and those assigned to the State Department  
26 of Education by the Legislature;

27 (6) Adopt and promulgate rules and regulations for

1 the guidance, supervision, accreditation, and coordination of  
2 educational service units. Such rules and regulations for  
3 accreditation shall include, but not be limited to, (a) a  
4 requirement that programs and services offered to school districts  
5 by each educational service unit shall be evaluated on a regular  
6 basis, but not less than every seven years, to assure that  
7 educational service units remain responsive to school district  
8 needs and (b) guidelines for the use and management of funds  
9 generated from the property tax levy and from other sources of  
10 revenue as may be available to the educational service units,  
11 to assure that public funds are used to accomplish the purposes  
12 and goals assigned to the educational service units by section  
13 79-1204. The State Board of Education shall establish procedures to  
14 encourage the coordination of activities among educational service  
15 units and to encourage effective and efficient educational service  
16 delivery on a statewide basis;

17 (7) Submit a biennial report to the Governor and the  
18 Clerk of the Legislature covering the actions of the board, the  
19 operations of the State Department of Education, and the progress  
20 and needs of the schools and recommend such legislation as may be  
21 necessary to satisfy these needs;

22 (8) Prepare and distribute reports designed to acquaint  
23 school district officers, teachers, and patrons of the schools with  
24 the conditions and needs of the schools;

25 (9) Provide for consultation with professional educators  
26 and lay leaders for the purpose of securing advice deemed necessary  
27 in the formulation of policies and in the effectual discharge of

1 its duties;

2 (10) Make studies, investigations, and reports and  
3 assemble information as necessary for the formulation of policies,  
4 for making plans, for evaluating the state school program, and for  
5 making essential and adequate reports;

6 (11) Submit to the Governor and the Legislature a  
7 budget necessary to finance the state school program under its  
8 jurisdiction, including the internal operation and maintenance of  
9 the State Department of Education;

10 (12) Interpret its own policies, standards, rules, and  
11 regulations and, upon reasonable request, hear complaints and  
12 disputes arising therefrom;

13 (13) With the advice of the Department of Motor Vehicles,  
14 adopt and promulgate rules and regulations containing reasonable  
15 standards, not inconsistent with existing statutes, governing: (a)  
16 The general design, equipment, color, operation, and maintenance of  
17 any vehicle with a manufacturer's rated seating capacity of eleven  
18 or more passengers used for the transportation of ~~school children;~~  
19 public, private, denominational, or parochial school students; and  
20 (b) the equipment, operation, and maintenance of any vehicle with  
21 a capacity of ten or less passengers used for the transportation  
22 of public, private, denominational, or parochial school students,  
23 when such vehicles are owned, operated, or owned and operated by  
24 any public, private, denominational, or parochial school district  
25 or privately owned or operated under contract with any such school  
26 district in this state, except for vehicles owned by individuals  
27 operating a school which elects pursuant to section 79-1601 not

1 to meet accreditation or approval requirements. Similar rules and  
2 regulations shall be adopted and promulgated for operators of such  
3 vehicles as provided in section 79-607;

4 (14) Accept, on behalf of the Nebraska Center for the  
5 Education of Children who are Blind or Visually Impaired, ~~formerly~~  
6 ~~the Nebraska School for the Visually Handicapped,~~ devise of real  
7 property or donations or bequests of other property, or both, if in  
8 its judgment any such devise, donation, or bequest is for the best  
9 interest of the center or the students receiving services from the  
10 center, or both, and irrigate or otherwise improve any such real  
11 estate when in the board's judgment it would be advisable to do so;  
12 and

13 (15) Upon acceptance of any devise, donation, or bequest  
14 as provided in this section, administer and carry out such devise,  
15 donation, or bequest in accordance with the terms and conditions  
16 thereof. If not prohibited by the terms and conditions of any such  
17 devise, donation, or bequest, the board may sell, convey, exchange,  
18 or lease property so devised, donated, or bequeathed upon such  
19 terms and conditions as it deems best and remit all money derived  
20 from any such sale or lease to the State Treasurer for credit to  
21 the State Department of Education Trust Fund.

22 Each member of the Legislature shall receive a copy of  
23 the report required by subdivision (7) of this section by making a  
24 request for it to the commissioner.

25 None of the duties prescribed in this section shall  
26 prevent the board from exercising such other duties as in its  
27 judgment may be necessary for the proper and legal exercise of its

1 obligations.

2           Sec. 19. Section 79-319, Reissue Revised Statutes of  
3 Nebraska, is amended to read:

4           79-319 The State Board of Education has the authority to

5 (1) provide for the education of and approve special educational  
6 facilities and programs provided in the public schools for children  
7 with disabilities, (2) act as the state's authority for the  
8 approval of all types of veterans educational programs and have  
9 jurisdiction over the administration and supervision of on-the-job  
10 and apprenticeship training, on-the-farm training, and flight  
11 training programs for veterans which are financially supported  
12 in whole or in part by the federal government, (3) supervise and  
13 administer any educational or training program established within  
14 the state by the federal government, except postsecondary education  
15 in approved colleges, (4) coordinate educational activities in the  
16 state that pertain to elementary and secondary education and such  
17 other educational programs as are placed by statute under the  
18 jurisdiction of the board, (5) receive and distribute according to  
19 law any money, commodities, goods, or services made available to  
20 the board from the state or federal government or from any other  
21 source and distribute money in accordance with the terms of any  
22 grant received, including the distribution of money from grants by  
23 the federal government to schools, preschools, day care centers,  
24 day care homes, nonprofit agencies, and political subdivisions of  
25 the state or institutions of learning not owned or exclusively  
26 controlled by the state or a political subdivision thereof, so  
27 long as no public funds of the state, any political subdivision,

1 or any public corporation are added to such federal grants, (6)  
2 publish, from time to time, directories of schools and educators,  
3 pamphlets, curriculum guides, rules and regulations, handbooks on  
4 school constitution and other matters of interest to educators, and  
5 similar publications. Such publications may be distributed without  
6 charge to schools and school officials within this state or may be  
7 sold at a price not less than the actual cost of printing. The  
8 proceeds of such sale shall be remitted to the State Treasurer for  
9 credit to the State Department of Education Cash Fund which may  
10 be used by the State Department of Education for the purpose of  
11 printing and distributing further such publications on a nonprofit  
12 basis. The board shall furnish eight copies of such publications  
13 to the Nebraska Publications Clearinghouse, and (7) when necessary  
14 for the proper administration of the functions of the department  
15 and with the approval of the Governor and the Department of  
16 Administrative Services, rent or lease space outside the State  
17 Capitol.

18           Sec. 20. Section 79-528, Reissue Revised Statutes of  
19 Nebraska, is amended to read:

20           79-528 (1)(a) On or before July 20 in all school  
21 districts, the superintendent ~~or head administrator~~ shall file  
22 with the State Department of Education a report ~~under oath~~ showing  
23 the number of children from five through eighteen years of age  
24 belonging to the school district according to the census taken as  
25 provided in sections 79-524 and 79-578. ~~The report shall identify~~  
26 ~~the number of boys and the number of girls in each of the~~  
27 ~~respective age categories.~~ On or before July 20, school districts

1 that are members of learning communities shall provide the learning  
2 community coordinating council with a copy of the report filed  
3 with the department. On or before August 1, each learning community  
4 coordinating council shall file with the department a report  
5 showing the number of children from five through eighteen years  
6 of age belonging to the member school districts according to the  
7 school district reports filed with the department.

8 (b) Each Class I school district which is part of a Class  
9 VI school district offering instruction (i) in grades kindergarten  
10 through five shall report children from five through ten years  
11 of age, (ii) in grades kindergarten through six shall report  
12 children from five through eleven years of age, and (iii) in grades  
13 kindergarten through eight shall report children from five through  
14 thirteen years of age.

15 (c) Each Class VI school district offering instruction  
16 (i) in grades six through twelve shall report children who are  
17 eleven through eighteen years of age, (ii) in grades seven through  
18 twelve shall report children who are twelve through eighteen years  
19 of age, and (iii) in grades nine through twelve children who are  
20 fourteen through eighteen years of age.

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

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

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

4           (2) On or before June 30 the superintendent ~~or head~~  
5 ~~administrator~~ of each school district shall file with the  
6 Commissioner of Education a report ~~under oath~~ described as an  
7 end-of-the-school-year annual statistical summary showing (a) the  
8 number of children attending school during the year under five  
9 years of age, (b) the length of time the school has been taught  
10 during the year by a qualified teacher, (c) the length of time  
11 taught by each substitute teacher, and (d) such other information  
12 as the Commissioner of Education directs. On or before June 30,  
13 school districts that are members of learning communities shall  
14 also provide the learning community coordinating council with a  
15 copy of the report filed with the commissioner. On or before  
16 July 15, each learning community coordinating council shall file  
17 with the commissioner an end-of-the-school-year annual statistical  
18 summary for the learning community based on the member school  
19 districts according to the school district reports filed with the  
20 commissioner.

21           (3) (a) On or before November 1 the superintendent ~~or~~  
22 ~~head administrator~~ of each school district shall submit to the  
23 Commissioner of Education, ~~to be filed in his or her office,~~  
24 ~~a report under oath~~ a report described as the annual financial  
25 report showing (i) the amount of money received from all sources  
26 during the year and the amount of money expended by the school  
27 district during the year, (ii) the amount of bonded indebtedness,

1 (iii) such other information as shall be necessary to fulfill  
2 the requirements of the Tax Equity and Educational Opportunities  
3 Support Act and section 79-1114, and (iv) such other information as  
4 the Commissioner of Education directs.

5 (b) On or before November 1, school districts that are  
6 members of learning communities shall also provide the learning  
7 community coordinating council with a copy of the report submitted  
8 to the commissioner. On or before November 15, each learning  
9 community coordinating council shall submit to the commissioner,  
10 to be filed in his or her office, a report described as the  
11 annual financial report showing (i) the aggregate amount of money  
12 received from all sources during the year for all member school  
13 districts and the aggregate amount of money expended by member  
14 school districts during the year, (ii) the aggregate amount of  
15 bonded indebtedness for all member school districts, (iii) such  
16 other aggregate information as shall be necessary to fulfill  
17 the requirements of the Tax Equity and Educational Opportunities  
18 Support Act and section 79-1114 for all member school districts,  
19 and (iv) such other aggregate information as the Commissioner of  
20 Education directs for all member school districts.

21 (4) (a) On or before October 15 of each year, the  
22 superintendent ~~or head administrator~~ of each school district shall  
23 ~~deliver to the department~~ file with the commissioner the fall  
24 school district membership report, which report shall include the  
25 number of children from birth through twenty years of age enrolled  
26 in the district on the last Friday in September of a given school  
27 year. The report shall enumerate (i) students by grade level, (ii)

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

4 (b) On or before October 15 of each year, school  
5 districts that are members of learning communities shall also  
6 provide the learning community coordinating council with a copy of  
7 the report delivered to the department. On or before October 31  
8 of each year, each learning community coordinating council shall  
9 deliver to the department the fall learning community membership  
10 report, which report shall include the aggregate number of children  
11 from birth through twenty years of age enrolled in the member  
12 school districts on the last Friday in September of a given  
13 school year for all member school districts. The report shall  
14 enumerate (i) the aggregate students by grade level for all member  
15 school districts, (ii) learning community levies and total assessed  
16 valuation for the current fiscal year, and (iii) such other  
17 information as the Commissioner of Education directs.

18 (c) When any school district or learning community  
19 fails to submit its fall membership report by November 1, the  
20 commissioner shall, after notice to the district and an opportunity  
21 to be heard, direct that any state aid granted pursuant to the  
22 Tax Equity and Educational Opportunities Support Act be withheld  
23 until such time as the report is received by the department. In  
24 addition, the commissioner shall direct the county treasurer to  
25 withhold all school money belonging to the school district or  
26 learning community until such time as the commissioner notifies the  
27 county treasurer of receipt of such report. The county treasurer

1 shall withhold such money. For school districts that are members  
2 of learning communities, a determination of school money belonging  
3 to the district shall be based on the proportionate share of state  
4 aid and property tax receipts allocated to the school district  
5 by the learning community coordinating council, and the treasurer  
6 of the learning community coordinating council shall withhold any  
7 such school money in the possession of the learning community from  
8 the school district. If a school district that is a member of  
9 a learning community fails to provide a copy of the report to  
10 the learning community coordinating council on or before October  
11 15, the learning community coordinating council shall complete the  
12 fall learning community membership report with information from the  
13 reports received from other member school districts.

14           Sec. 21. Section 79-569, Reissue Revised Statutes of  
15 Nebraska, is amended to read:

16           79-569 The president of the school board of a Class I,  
17 II, III, IV, or VI school district shall: (1) Preside at all  
18 meetings of the district; (2) countersign all orders upon the  
19 treasury for money to be disbursed by the district and all warrants  
20 of the secretary on the county treasurer for money raised for  
21 district purposes or apportioned to the district by the county  
22 treasurer; (3) administer the oath to the secretary and treasurer  
23 of the district when such an oath is required by law in the  
24 transaction of the business of the district; and (4) perform such  
25 other duties as may be required by law of the president of the  
26 board. He or she is entitled to vote on any issue that may come  
27 before any meeting. If the president of the school board of a

1 Class I school district is absent from any district meeting, the  
2 legal voters present may elect a suitable person to preside at the  
3 meeting.

4           Sec. 22. Section 79-598, Reissue Revised Statutes of  
5 Nebraska, is amended to read:

6           79-598 (1) The school board of any public school district  
7 in this state, when authorized by a majority of the votes cast  
8 at any annual or special meeting, shall (a) contract with the  
9 board of any neighboring public school district or districts for  
10 the instruction of all or any part of the pupils residing in the  
11 first named district in the school or schools maintained by the  
12 neighboring public school district or districts for a period of  
13 time not to exceed ~~three~~ two years and (b) make provision for  
14 the transportation of such pupils to the school or schools of the  
15 neighboring public school district or districts.

16           (2) The school board of any public school district may  
17 also, when petitioned to do so by at least two-thirds of the  
18 parents residing in the district having children of school age  
19 who will attend school under the contract plan, (a) contract with  
20 the board of any neighboring public school district or districts  
21 for the instruction of all or any part of the pupils residing in  
22 the first named district in the school or schools maintained by  
23 the neighboring public school district or districts for a period  
24 of time not to exceed ~~three~~ two years and (b) make provision for  
25 the transportation of such pupils to the school or schools of the  
26 neighboring public school district or districts.

27           (3) The contract price for instruction referred to in

1 subsections (1) and (2) of this section shall be the cost per  
2 pupil for the immediately preceding school year or the current  
3 year, whichever appears more practical as determined by the board  
4 of the district which accepts the pupils for instruction. The  
5 cost per pupil shall be determined by dividing the sum of  
6 the operational cost and debt service expense of the accepting  
7 district, except retirement of debt principal, plus three percent  
8 of the insurable or present value of the school plant and equipment  
9 of the accepting district, by the average daily membership of  
10 pupils in the accepting district. Payment of the contract price  
11 shall be made in equal installments at the beginning of the first  
12 and second semesters.

13 (4) All the contracts referred to in subsections (1) and  
14 (2) of this section shall be in writing, and copies of all such  
15 contracts shall be filed in the office of the superintendent of the  
16 primary high school district on or before August 15 of each year.  
17 School districts thus providing instruction for their children in  
18 neighboring districts shall be considered as maintaining a school  
19 as required by law. The teacher of the school providing the  
20 instruction shall keep a separate record of the attendance of all  
21 pupils from the first named district and make a separate report to  
22 the secretary of that district. The board of every sending district  
23 contracting under this section shall enter into contracts with  
24 school districts of the choice of the parents of the children to  
25 be educated under the contract plan. Any school district failing to  
26 comply with this section shall not be paid any funds from the state  
27 apportionment of school funds while such violation continues.

1           (5) The State Committee for the Reorganization of School  
2 Districts may dissolve any district (a) failing to comply with  
3 this section, (b) in which the votes cast at an annual or  
4 special election on the question of contracting with a neighboring  
5 district are evenly divided, or (c) in which the governing body  
6 of the district is evenly divided in its vote on the question  
7 of contracting pursuant to subsection (2) of this section. The  
8 state committee shall dissolve and attach to a neighboring district  
9 or districts any school district which, for ~~five~~ two consecutive  
10 years, contracts for the instruction of its pupils, except that  
11 when such dissolution will create extreme hardships on the pupils  
12 or the district affected, the State Board of Education may,  
13 on application by the school board of the district, waive the  
14 requirements of this subsection. The dissolution of any school  
15 district pursuant to this section shall be effected in the manner  
16 prescribed in section 79-498. ~~School districts that have contracted~~  
17 ~~for instruction for two or more consecutive years shall, before~~  
18 ~~reopening the schoolhouse within the district, have an enrollment~~  
19 ~~of at least five pupils whose parents or legal guardians are~~  
20 ~~legal voters of the school district and shall apply to the state~~  
21 ~~committee for approval to reopen that schoolhouse for school use.~~

22           Sec. 23. Section 79-606, Reissue Revised Statutes of  
23 Nebraska, is amended to read:

24           79-606 When any vehicle with a manufacturer's rated  
25 seating capacity of eleven or more passengers used for  
26 transportation of ~~children~~ students is sold and used for any other  
27 purpose than for transportation of ~~school children,~~ students,

1 such vehicle shall be painted a distinct color other than that  
2 prescribed by the State Board of Education and the stop arms  
3 and system of alternately flashing warning signal lights on  
4 such vehicle shall be removed. It shall be the purchaser's  
5 responsibility to see that the modifications required by this  
6 section are made. Any person violating this section shall be guilty  
7 of a Class V misdemeanor and, upon conviction thereof, be fined not  
8 less than twenty-five dollars nor more than one hundred dollars.

9           Sec. 24. Section 79-608, Reissue Revised Statutes of  
10 Nebraska, is amended to read:

11           79-608 (1) Any person, before operating a school bus,  
12 including any school bus which transports ~~pupils~~ students by  
13 direct contract with the ~~pupils~~ students or their parents and not  
14 owned by or under contract with the school district or nonpublic  
15 school, ~~before the opening of a school term or before operating~~  
16 ~~a school bus,~~ shall each year shall submit himself or herself  
17 to (a) an examination, to be conducted by a driver's license  
18 examiner of the Department of Motor Vehicles, to determine his  
19 or her qualifications to operate such bus and (b) an examination  
20 by a licensed physician to determine whether or not he or she  
21 meets the physical and mental standards established pursuant to  
22 section 79-607 and shall furnish to the school board or board of  
23 education or the governing authority of a nonpublic school and  
24 to the Director of Motor Vehicles a written report of each such  
25 examination on standard forms prescribed by the State Department of  
26 Education, signed by the person conducting the same, showing that  
27 he or she is qualified to operate a school bus and that he or she

1 meets the physical and mental standards. If the Director of Motor  
2 Vehicles determines that the person is so qualified and meets such  
3 standards, the director shall issue to the person a special school  
4 bus operator's permit which shall expire each year on the date of  
5 birth of the holder in such form as the director prescribes. ~~shall~~  
6 ~~be issued to him or her.~~ No contract shall be entered into until  
7 such permit has been received and exhibited to the school board  
8 ~~or board of education~~ or the governing authority of a nonpublic  
9 school. The holder of such permit shall have it on his or her  
10 person at all times while operating a school bus.

11 (2) It shall be unlawful for any person operating a  
12 school bus to be or remain on duty for a longer period than  
13 sixteen consecutive hours. When any person operating a bus has been  
14 continuously on duty for sixteen hours, he or she shall be relieved  
15 and not be permitted or required to again go on duty without  
16 having at least ten consecutive hours' rest off duty, and no such  
17 operator, who has been on duty sixteen hours in the aggregate  
18 in any twenty-four-hour period, shall be required or permitted to  
19 continue or again go on duty without having had at least eight  
20 consecutive hours off duty.

21 (3) Any person violating this section shall be guilty of  
22 a Class V misdemeanor. His or her contract with the school district  
23 shall be canceled as provided in section 79-607.

24 Sec. 25. Section 79-611, Reissue Revised Statutes of  
25 Nebraska, is amended to read:

26 79-611 (1) The school board of any school district  
27 shall ~~either~~ provide free transportation, partially provide free

1 transportation, or pay an allowance for transportation in lieu of  
2 free transportation as follows:

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

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

13 (c) When a student attends a secondary school in his or  
14 her own Class II or Class III school district and lives more than  
15 four miles from the public schoolhouse as measured by the shortest  
16 route that must actually and necessarily be traveled by motor  
17 vehicle to reach the student's residence. 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  
22 ten through twelve in a Class V district, attends an elementary  
23 or junior high school in his or her own Class V district and  
24 lives more than four miles from the public schoolhouse in such  
25 district as measured by the shortest route that must actually and  
26 necessarily be traveled by motor vehicle to reach the student's  
27 residence.

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

17           (b) For purposes of this subsection, student who  
18 contributes to the socioeconomic diversity of enrollment at the  
19 school building he or she attends has the definition found in  
20 section 79-2110. This subsection does not prohibit a school  
21 district that is a member of a learning community from providing  
22 transportation to any intradistrict student.

23           (3) The transportation allowance which may be paid to  
24 the parent, custodial parent, or guardian of students qualifying  
25 for free transportation pursuant to subsection (1) or (2) of this  
26 section shall equal two hundred eighty-five percent of the mileage  
27 rate provided in section 81-1176, multiplied by each mile actually

1 and necessarily traveled, on each day of attendance, beyond which  
2 the one-way distance from the residence of the student to the  
3 schoolhouse exceeds three miles.

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

7 (a) To the parent, custodial parent, or guardian  
8 providing transportation for students from other families, one  
9 hundred percent of the amount prescribed in subsection (3) of  
10 this section for the transportation of students of such parent's,  
11 custodial parent's, or guardian's own family and an additional  
12 five percent for students of each other family not to exceed a  
13 maximum of one hundred twenty-five percent of the amount determined  
14 pursuant to subsection (3) of this section; and

15 (b) To the parent, custodial parent, or guardian not  
16 providing transportation for students of other families, two  
17 hundred eighty-five percent of the mileage rate provided in section  
18 81-1176 multiplied by each mile actually and necessarily traveled,  
19 on each day of attendance, from the residence of the student to  
20 the pick-up point at which students transfer to the vehicle of a  
21 parent, custodial parent, or guardian described in subdivision (a)  
22 of this subsection.

23 (5) When a student who qualifies under the mileage  
24 requirements of subsection (1) of this section lives more  
25 than three miles from the location where the student must be  
26 picked up and dropped off in order to access school-provided  
27 free transportation, as measured by the shortest route

1 that must actually and necessarily be traveled by motor  
2 vehicle between his or her residence and such location,  
3 such school-provided transportation shall be deemed partially  
4 provided free transportation. Schools partially providing free  
5 transportation shall pay an allowance to the student's parent or  
6 guardian equal to two hundred eighty-five percent of the mileage  
7 rate provided in section 81-1176 multiplied by each mile actually  
8 and necessarily traveled on each day of attendance, beyond which  
9 the one-way distance from the residence of the student to the  
10 location where the student must be picked up and dropped off  
11 exceeds three miles.

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

23           ~~(6)~~ (7) No more than one allowance shall be made to a  
24 family irrespective of the number of students in a family being  
25 transported to school. If a family resides in a Class I district  
26 which is part of a Class VI district and has students enrolled in  
27 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)~~ (8) No student shall be exempt from school attendance  
8 on account of distance from the public schoolhouse.

9 Sec. 26. Section 79-1003, Reissue Revised Statutes of  
10 Nebraska, is amended to read:

11 79-1003 For purposes of the Tax Equity and Educational  
12 Opportunities Support Act:

13 (1) Adjusted general fund operating expenditures means  
14 (a) for school fiscal years before school fiscal year 2007-08,  
15 general fund operating expenditures as calculated pursuant to  
16 subdivision (21) of this section minus the transportation allowance  
17 and minus the special receipts allowance, (b) for school fiscal  
18 year 2007-08, general fund operating expenditures as calculated  
19 pursuant to subdivision (21) of this section minus the sum of  
20 the transportation, special receipts, and distance education  
21 and telecommunications allowances, (c) for school fiscal year  
22 2008-09, the difference of the product of the general fund  
23 operating expenditures as calculated pursuant to subdivision (21)  
24 of this section multiplied by the cost growth factor calculated  
25 pursuant to section 79-1007.10 minus the transportation allowance,  
26 special receipts allowance, poverty allowance, limited English  
27 proficiency allowance, distance education and telecommunications

1 allowance, elementary site allowance, elementary class size  
2 allowance, summer school allowance, and focus school and program  
3 allowance, (d) for school fiscal years 2009-10 through 2012-13,  
4 the difference of the product of the general fund operating  
5 expenditures as calculated pursuant to subdivision (21) of this  
6 section multiplied by the cost growth factor calculated pursuant  
7 to section 79-1007.10 minus the transportation allowance, special  
8 receipts allowance, poverty allowance, limited English proficiency  
9 allowance, distance education and telecommunications allowance,  
10 elementary site allowance, elementary class size allowance, summer  
11 school allowance, instructional time allowance, and focus school  
12 and program allowance, and (e) for school fiscal year 2013-14  
13 and each school fiscal year thereafter, the difference of the  
14 product of the general fund operating expenditures as calculated  
15 pursuant to subdivision (21) of this section multiplied by the  
16 cost growth factor calculated pursuant to section 79-1007.10  
17 minus the transportation allowance, special receipts allowance,  
18 poverty allowance, limited English proficiency allowance, distance  
19 education and telecommunications allowance, elementary site  
20 allowance, summer school allowance, instructional time allowance,  
21 and focus school and program allowance;

22 (2) Adjusted valuation means the assessed valuation of  
23 taxable property of each local system in the state, adjusted  
24 pursuant to the adjustment factors described in section 79-1016.  
25 Adjusted valuation means the adjusted valuation for the property  
26 tax year ending during the school fiscal year immediately preceding  
27 the school fiscal year in which the aid based upon that value is

1 to be paid. For purposes of determining the local effort rate yield  
2 pursuant to section 79-1015.01, adjusted valuation does not include  
3 the value of any property which a court, by a final judgment from  
4 which no appeal is taken, has declared to be nontaxable or exempt  
5 from taxation;

6 (3) Allocated income tax funds means the amount of  
7 assistance paid to a local system pursuant to section 79-1005.01 or  
8 79-1005.02 as adjusted by the minimum levy adjustment pursuant to  
9 section 79-1008.02;

10 (4) Average daily attendance of a student who resides on  
11 Indian land means average daily attendance of a student who resides  
12 on Indian land from the most recent data available on November 1  
13 preceding the school fiscal year in which aid is to be paid;

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

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

23 (7) Board means the school board of each school district;

24 (8) Categorical funds means funds limited to a specific  
25 purpose by federal or state law, including, but not limited to,  
26 Title I funds, Title VI funds, federal vocational education funds,  
27 federal school lunch funds, Indian education funds, Head Start

1 funds, and funds from the Education Innovation Fund;

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

5 (10) Department means the State Department of Education;

6 (11) District means any Class I, II, III, IV, V, or VI  
7 school district;

8 (12) Ensuing school fiscal year means the school fiscal  
9 year following the current school fiscal year;

10 (13) Equalization aid means the amount of assistance  
11 calculated to be paid to a local system pursuant to sections  
12 79-1007.11 to 79-1007.23, 79-1008.01 to 79-1022, and 79-1022.02;

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

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

19 (16) Formula students means:

20 (a) For school fiscal years prior to school fiscal year  
21 2008-09, (i) for state aid certified pursuant to section 79-1022,  
22 the sum of fall membership from the school fiscal year immediately  
23 preceding the school fiscal year in which the aid is to be paid,  
24 multiplied by the average ratio of average daily membership to fall  
25 membership for the second school fiscal year immediately preceding  
26 the school fiscal year in which aid is to be paid and the prior  
27 two school fiscal years, plus qualified early childhood education

1 fall membership plus tuitioned students from the school fiscal year  
2 immediately preceding the school fiscal year in which the aid is  
3 to be paid and (ii) for final calculation of state aid pursuant to  
4 section 79-1065, the sum of average daily membership plus qualified  
5 early childhood education average daily membership plus tuitioned  
6 students from the school fiscal year immediately preceding the  
7 school fiscal year in which the aid was paid; and

8 (b) For school fiscal year 2008-09 and each school fiscal  
9 year thereafter, (i) for state aid certified pursuant to section  
10 79-1022, the sum of the product of fall membership from the school  
11 fiscal year immediately preceding the school fiscal year in which  
12 the aid is to be paid multiplied by the average ratio of average  
13 daily membership to fall membership for the second school fiscal  
14 year immediately preceding the school fiscal year in which the aid  
15 is to be paid and the prior two school fiscal years plus sixty  
16 percent of the qualified early childhood education fall membership  
17 plus tuitioned students from the school fiscal year immediately  
18 preceding the school fiscal year in which aid is to be paid minus  
19 the product of the number of students enrolled in kindergarten that  
20 is not full-day kindergarten from the fall membership multiplied by  
21 0.5 and (ii) for final calculation of state aid pursuant to section  
22 79-1065, the sum of average daily membership plus sixty percent of  
23 the qualified early childhood education average daily membership  
24 plus tuitioned students minus the product of the number of students  
25 enrolled in kindergarten that is not full-day kindergarten from the  
26 average daily membership multiplied by 0.5 from the school fiscal  
27 year immediately preceding the school fiscal year in which aid was

1 paid;

2 (17) Free lunch and free milk student means a student  
3 who qualified for free lunches or free milk from the most recent  
4 data available on November 1 of the school fiscal year immediately  
5 preceding the school fiscal year in which aid is to be paid;

6 (18) Full-day kindergarten means kindergarten offered by  
7 a district for at least one thousand thirty-two instructional  
8 hours;

9 (19) General fund budget of expenditures means the total  
10 budget of disbursements and transfers for general fund purposes as  
11 certified in the budget statement adopted pursuant to the Nebraska  
12 Budget Act, except that for purposes of the limitation imposed in  
13 section 79-1023 and the calculation pursuant to subdivision (2) of  
14 section 79-1027.01, the general fund budget of expenditures does  
15 not include any special grant funds, exclusive of local matching  
16 funds, received by a district;

17 (20) General fund expenditures means all expenditures  
18 from the general fund;

19 (21) General fund operating expenditures means:

20 (a) For state aid calculated for school fiscal years  
21 prior to school fiscal year 2008-09, the total general fund  
22 expenditures minus categorical funds, tuition paid, transportation  
23 fees paid to other districts, adult education, summer school,  
24 community services, redemption of the principal portion of general  
25 fund debt service, retirement incentive plans, staff development  
26 assistance, and transfers from other funds into the general fund  
27 for the second school fiscal year immediately preceding the school

1 fiscal year in which aid is to be paid as reported on the annual  
2 financial report prior to December 1 of the school fiscal year  
3 immediately preceding the school fiscal year in which aid is to be  
4 paid;

5 (b) For state aid calculated for school fiscal year  
6 2008-09, as reported for the second school fiscal year immediately  
7 preceding the school fiscal year in which aid is to be paid  
8 on the annual financial report submitted prior to December  
9 1 of the school fiscal year immediately preceding the school  
10 fiscal year in which aid is to be paid, the total general  
11 fund expenditures minus (i) the amount of all receipts to  
12 the general fund, to the extent that such receipts are not  
13 included in local system formula resources, from early childhood  
14 education tuition, summer school tuition, educational entities as  
15 defined in section 79-1201.01 for providing distance education  
16 courses through the Educational Service Unit Coordinating Council  
17 to such educational entities, private foundations, individuals,  
18 associations, charitable organizations, the textbook loan program  
19 authorized by section 79-734, and federal impact aid, (ii)  
20 the amount of expenditures for categorical funds, tuition paid,  
21 transportation fees paid to other districts, adult education,  
22 community services, redemption of the principal portion of general  
23 fund debt service, retirement incentive plans authorized by section  
24 79-855, and staff development assistance authorized by section  
25 79-856, and (iii) the amount of any transfers from the general fund  
26 to any bond fund and transfers from other funds into the general  
27 fund;

1           (c) For state aid calculated for school fiscal year  
2 2009-10, as reported on the annual financial report for the second  
3 school fiscal year immediately preceding the school fiscal year in  
4 which aid is to be paid, ~~on the annual financial report submitted~~  
5 ~~prior to December 1 of the school fiscal year immediately preceding~~  
6 ~~the school fiscal year in which aid is to be paid,~~ the total  
7 general fund expenditures minus (i) the amount of all receipts  
8 to the general fund, to the extent that such receipts are not  
9 included in local system formula resources, from early childhood  
10 education tuition, summer school tuition, educational entities as  
11 defined in section 79-1201.01 for providing distance education  
12 courses through the Educational Service Unit Coordinating Council  
13 to such educational entities, private foundations, individuals,  
14 associations, charitable organizations, the textbook loan program  
15 authorized by section 79-734, and federal impact aid, (ii)  
16 the amount of expenditures for categorical funds, tuition paid,  
17 transportation fees paid to other districts, adult education,  
18 community services, redemption of the principal portion of general  
19 fund debt service, retirement incentive plans authorized by section  
20 79-855, and staff development assistance authorized by section  
21 79-856, (iii) the amount of any transfers from the general fund to  
22 any bond fund and transfers from other funds into the general fund,  
23 and (iv) any legal expenses in excess of fifteen-hundredths of one  
24 percent of the formula need for the school fiscal year in which the  
25 expenses occurred; and

26           (d) For state aid calculated for school fiscal year  
27 2010-11 and each school fiscal year thereafter, as reported on

1 the annual financial report for the second school fiscal year  
2 immediately preceding the school fiscal year in which aid is  
3 to be paid, ~~on the annual financial report submitted prior to~~  
4 ~~December 1~~ of the school fiscal year immediately preceding the  
5 school fiscal year in which aid is to be paid, the total  
6 general fund expenditures minus (i) the amount of all receipts  
7 to the general fund, to the extent that such receipts are not  
8 included in local system formula resources, from early childhood  
9 education tuition, summer school tuition, educational entities as  
10 defined in section 79-1201.01 for providing distance education  
11 courses through the Educational Service Unit Coordinating Council  
12 to such educational entities, private foundations, individuals,  
13 associations, charitable organizations, the textbook loan program  
14 authorized by section 79-734, federal impact aid, and levy  
15 override elections pursuant to section 77-3444, (ii) the amount  
16 of expenditures for categorical funds, tuition paid, transportation  
17 fees paid to other districts, adult education, community services,  
18 redemption of the principal portion of general fund debt service,  
19 retirement incentive plans authorized by section 79-855, and staff  
20 development assistance authorized by section 79-856, (iii) the  
21 amount of any transfers from the general fund to any bond fund  
22 and transfers from other funds into the general fund, and (iv) any  
23 legal expenses in excess of fifteen-hundredths of one percent of  
24 the formula need for the school fiscal year in which the expenses  
25 occurred.

26 For purposes of this subdivision (21) of this section,  
27 receipts from levy override elections shall equal ninety-nine

1 percent of the difference of the total general fund levy minus  
2 a levy of one dollar and five cents per one hundred dollars of  
3 taxable valuation multiplied by the assessed valuation for school  
4 districts that have voted pursuant to section 77-3444 to override  
5 the maximum levy provided pursuant to section 77-3442;

6 (22) High school district means a school district  
7 providing instruction in at least grades nine through twelve;

8 (23) Income tax liability means the amount of the  
9 reported income tax liability for resident individuals pursuant  
10 to the Nebraska Revenue Act of 1967 less all nonrefundable credits  
11 earned and refunds made;

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

15 (25) Limited English proficiency students means (a) for  
16 school fiscal years prior to school fiscal year 2009-10, the number  
17 of students with limited English proficiency in a district from  
18 the most recent data available on November 1 of the school fiscal  
19 year preceding the school fiscal year in which aid is to be paid  
20 and (b) for school fiscal year 2009-10 and each school fiscal year  
21 thereafter, the number of students with limited English proficiency  
22 in a district from the most recent data available on November 1 of  
23 the school fiscal year preceding the school fiscal year in which  
24 aid is to be paid plus the difference of such students with limited  
25 English proficiency minus the average number of limited English  
26 proficiency students for such district, prior to such addition,  
27 for the three immediately preceding school fiscal years if such

1 difference is greater than zero;

2           (26) Local system means a learning community, a unified  
3 system, a Class VI district and the associated Class I districts,  
4 or a Class II, III, IV, or V district and any affiliated Class  
5 I districts or portions of Class I districts. The membership,  
6 expenditures, and resources of Class I districts that are  
7 affiliated with multiple high school districts will be attributed  
8 to local systems based on the percent of the Class I valuation that  
9 is affiliated with each high school district;

10           (27) Low-income child means (a) for school fiscal years  
11 prior to 2008-09, a child under nineteen years of age living in  
12 a household having an annual adjusted gross income of fifteen  
13 thousand dollars or less for the second calendar year preceding  
14 the beginning of the school fiscal year for which aid is being  
15 calculated and (b) for school fiscal year 2008-09 and each school  
16 fiscal year thereafter, a child under nineteen years of age living  
17 in a household having an annual adjusted gross income for the  
18 second calendar year preceding the beginning of the school fiscal  
19 year for which aid is being calculated equal to or less than the  
20 maximum household income that would allow a student from a family  
21 of four people to be a free lunch and free milk student during the  
22 school fiscal year immediately preceding the school fiscal year for  
23 which aid is being calculated;

24           (28) Low-income students means the number of low-income  
25 children within the district multiplied by the ratio of the formula  
26 students in the district divided by the total children under  
27 nineteen years of age residing in the district as derived from

1 income tax information;

2 (29) Most recently available complete data year means  
3 the most recent single school fiscal year for which the annual  
4 financial report, fall school district membership report, annual  
5 statistical summary, Nebraska income tax liability by school  
6 district for the calendar year in which the majority of the school  
7 fiscal year falls, and adjusted valuation data are available;

8 (30) Poverty students means (a) for school fiscal years  
9 prior to school fiscal year 2009-10, the number of low-income  
10 students or the number of students who are free lunch and free milk  
11 students in a district, whichever is greater, and (b) for school  
12 fiscal year 2009-10 and each school fiscal year thereafter, the  
13 number of low-income students or the number of students who are  
14 free lunch and free milk students in a district plus the difference  
15 of the number of low-income students or the number of students  
16 who are free lunch and free milk students in a district, whichever  
17 is greater, minus the average number of poverty students for  
18 such district, prior to such addition, for the three immediately  
19 preceding school fiscal years if such difference is greater than  
20 zero;

21 (31) Qualified early childhood education average daily  
22 membership means the product of the average daily membership for  
23 school fiscal year 2006-07 and each school fiscal year thereafter  
24 of students who will be eligible to attend kindergarten the  
25 following school year and are enrolled in an early childhood  
26 education program approved by the department pursuant to section  
27 79-1103 for such school district for such school year multiplied by

1 the ratio of the actual instructional hours of the program divided  
2 by one thousand thirty-two if: (a) The program is receiving a grant  
3 pursuant to such section for the third year; (b) the program has  
4 already received grants pursuant to such section for three years;  
5 or (c) the program has been approved pursuant to subsection (5) of  
6 section 79-1103 for such school year and the two preceding school  
7 years, including any such students in portions of any of such  
8 programs receiving an expansion grant;

9 (32) Qualified early childhood education fall membership  
10 means the product of membership on the last Friday in September  
11 2006 and each year thereafter of students who will be eligible  
12 to attend kindergarten the following school year and are enrolled  
13 in an early childhood education program approved by the department  
14 pursuant to section 79-1103 for such school district for such  
15 school year multiplied by the ratio of the planned instructional  
16 hours of the program divided by one thousand thirty-two if: (a)  
17 The program is receiving a grant pursuant to such section for the  
18 third year; (b) the program has already received grants pursuant to  
19 such section for three years; or (c) the program has been approved  
20 pursuant to subsection (5) of section 79-1103 for such school year  
21 and the two preceding school years, including any such students in  
22 portions of any of such programs receiving an expansion grant;

23 (33) Regular route transportation means the  
24 transportation of students on regularly scheduled daily routes to  
25 and from the attendance center;

26 (34) Reorganized district means any district involved  
27 in a consolidation and currently educating students following

1 consolidation;

2 (35) School year or school fiscal year means the fiscal  
3 year of a school district as defined in section 79-1091;

4 (36) Sparse local system means a local system that is not  
5 a very sparse local system but which meets the following criteria:

6 (a) (i) Less than two students per square mile in the  
7 county in which each high school is located, based on the school  
8 district census, (ii) less than one formula student per square  
9 mile in the local system, and (iii) more than ten miles between  
10 each high school attendance center and the next closest high school  
11 attendance center on paved roads;

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

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

19 (d) (i) Less than two formula students per square mile in  
20 the local system and (ii) the local system includes an area equal  
21 to ninety-five percent or more of the square miles in the largest  
22 county in which a high school attendance center is located in the  
23 local system;

24 (37) Special education means specially designed  
25 kindergarten through grade twelve instruction pursuant to section  
26 79-1125, and includes special education transportation;

27 (38) Special grant funds means the budgeted receipts for

1 grants, including, but not limited to, Title I funds, Title VI  
2 funds, funds from the Education Innovation Fund, reimbursements  
3 for wards of the court, short-term borrowings including, but  
4 not limited to, registered warrants and tax anticipation notes,  
5 interfund loans, insurance settlements, and reimbursements to  
6 county government for previous overpayment. The state board shall  
7 approve a listing of grants that qualify as special grant funds;

8 (39) State aid means the amount of assistance paid to a  
9 district pursuant to the Tax Equity and Educational Opportunities  
10 Support Act;

11 (40) State board means the State Board of Education;

12 (41) State support means all funds provided to districts  
13 by the State of Nebraska for the general fund support of elementary  
14 and secondary education;

15 (42) Statewide average basic funding per formula student  
16 means the statewide total basic funding for all districts divided  
17 by the statewide total formula students for all districts;

18 (43) Statewide average general fund operating  
19 expenditures per formula student means the statewide total  
20 general fund operating expenditures for all districts divided by  
21 the statewide total formula students for all districts;

22 (44) Teacher has the definition found in section 79-101;

23 (45) Temporary aid adjustment factor means (a) for school  
24 fiscal years before school fiscal year 2007-08, one and one-fourth  
25 percent of the sum of the local system's transportation allowance,  
26 the local system's special receipts allowance, and the product  
27 of the local system's adjusted formula students multiplied by

1 the average formula cost per student in the local system's  
2 cost grouping and (b) for school fiscal year 2007-08, one and  
3 one-fourth percent of the sum of the local system's transportation  
4 allowance, special receipts allowance, and distance education and  
5 telecommunications allowance and the product of the local system's  
6 adjusted formula students multiplied by the average formula cost  
7 per student in the local system's cost grouping;

8 (46) Tuitioned students means students in kindergarten  
9 through grade twelve of the district whose tuition is paid by the  
10 district to some other district or education agency; and

11 (47) Very sparse local system means a local system that  
12 has:

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

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

24 Sec. 27. Section 79-1007.06, Reissue Revised Statutes of  
25 Nebraska, is amended to read:

26 79-1007.06 (1) For school fiscal year 2008-09 and each  
27 school fiscal year thereafter, the department shall determine

1 the poverty allowance for each school district that meets the  
2 requirements of this section and has not been disqualified pursuant  
3 to section 79-1007.07. Each school district shall designate a  
4 maximum poverty allowance on a form prescribed by the department  
5 on or before October ~~10~~ 15 of the school fiscal year immediately  
6 preceding the school fiscal year for which aid is being calculated.  
7 The school district may decline to participate in the poverty  
8 allowance by providing the department with a maximum poverty  
9 allowance of zero dollars on such form on or before October ~~10~~  
10 15 of the school fiscal year immediately preceding the school  
11 fiscal year for which aid is being calculated. Each school district  
12 designating a maximum poverty allowance greater than zero dollars  
13 shall submit a poverty plan pursuant to section 79-1013.

14 (2) The poverty allowance for each school district that  
15 has not been disqualified pursuant to section 79-1007.07 shall  
16 equal the lesser of:

17 (a) The maximum amount designated pursuant to subsection  
18 (1) of this section by the school district in the local system, if  
19 such school district designated a maximum amount, for the school  
20 fiscal year for which aid is being calculated; or

21 (b) The sum of:

22 (i) The statewide average general fund operating  
23 expenditures per formula student multiplied by 0.0375 then  
24 multiplied by the poverty students comprising more than five  
25 percent and not more than ten percent of the formula students in  
26 the school district; plus

27 (ii) The statewide average general fund operating

1 expenditures per formula student multiplied by 0.0750 then  
2 multiplied by the poverty students comprising more than ten percent  
3 and not more than fifteen percent of the formula students in the  
4 school district; plus

5 (iii) The statewide average general fund operating  
6 expenditures per formula student multiplied by 0.1125 then  
7 multiplied by the poverty students comprising more than fifteen  
8 percent and not more than twenty percent of the formula students in  
9 the school district; plus

10 (iv) The statewide average general fund operating  
11 expenditures per formula student multiplied by 0.1500 then  
12 multiplied by the poverty students comprising more than twenty  
13 percent and not more than twenty-five percent of the formula  
14 students in the school district; plus

15 (v) The statewide average general fund operating  
16 expenditures per formula student multiplied by 0.1875 then  
17 multiplied by the poverty students comprising more than twenty-five  
18 percent and not more than thirty percent of the formula students in  
19 the school district; plus

20 (vi) The statewide average general fund operating  
21 expenditures per formula student multiplied by 0.2250 then  
22 multiplied by the poverty students comprising more than thirty  
23 percent of the formula students in the school district.

24 Sec. 28. Section 79-1007.08, Reissue Revised Statutes of  
25 Nebraska, is amended to read:

26 79-1007.08 (1) For school fiscal year 2008-09 and each  
27 school fiscal year thereafter, the department shall determine the

1 limited English proficiency allowance for each school district  
2 that meets the requirements of this section and has not been  
3 disqualified pursuant to section 79-1007.09. Each school district  
4 shall designate a maximum limited English proficiency allowance  
5 on or before October ~~10~~ 15 of the school fiscal year immediately  
6 preceding the school fiscal year for which aid is being calculated.  
7 The school district may decline to participate in the limited  
8 English proficiency allowance by providing the department with  
9 a maximum limited English proficiency allowance of zero dollars  
10 on such form on or before October ~~10~~ 15 of the school fiscal  
11 year immediately preceding the school fiscal year for which aid  
12 is being calculated. Each school district designating a maximum  
13 limited English proficiency allowance greater than zero dollars  
14 shall submit a limited English proficiency plan pursuant to section  
15 79-1014.

16 (2) The limited English proficiency allowance for each  
17 school district that has not been disqualified pursuant to section  
18 79-1007.09 shall equal the lesser of:

19 (a) The amount designated pursuant to subsection (1)  
20 of this section by the school district, if such school district  
21 designated a maximum amount, for the school fiscal year for which  
22 aid is being calculated; or

23 (b) The statewide average general fund operating  
24 expenditures per formula student multiplied by 0.25 then multiplied  
25 by:

26 (i) The number of students in the school district who are  
27 limited English proficient as defined under 20 U.S.C. 7801, as such

1 section existed on January 1, 2006, if such number is greater than  
2 or equal to twelve;

3 (ii) Twelve, if the number of students in the school  
4 district who are limited English proficient as defined under 20  
5 U.S.C. 7801, as such section existed on January 1, 2006, is greater  
6 than or equal to one and less than twelve; or

7 (iii) Zero, if the number of students in the school  
8 district who are limited English proficient as defined under 20  
9 U.S.C. 7801, as such section existed on January 1, 2006, is less  
10 than one.

11 Sec. 29. Section 79-1007.16, Reissue Revised Statutes of  
12 Nebraska, is amended to read:

13 79-1007.16 For school fiscal year 2008-09 and each  
14 school fiscal year thereafter, the department shall calculate  
15 basic funding for each district as follows:

16 (1) A comparison group shall be established for each  
17 district consisting of the districts for which basic funding is  
18 being calculated, the five larger districts that are closest in  
19 size to the district for which basic funding is being calculated as  
20 measured by formula students, and the five smaller districts that  
21 are closest in size to the district for which basic funding is  
22 being calculated as measured by formula students. If there are not  
23 five districts that are larger than the district for which basic  
24 funding is being calculated or if there are not five districts  
25 that are smaller than the district for which basic funding is  
26 being calculated, the comparison group shall consist of only as  
27 many districts as fit the criteria. If more than one district

1 has exactly the same number of formula students as the largest or  
2 smallest district in the comparison group, all of the districts  
3 with exactly the same number of formula students as the largest or  
4 smallest districts in the comparison group shall be included in the  
5 comparison group. If one or more districts have exactly the same  
6 number of formula students as the district for which basic funding  
7 is being calculated, all such districts shall be included in the  
8 comparison group in addition to the five larger districts and the  
9 five smaller districts. The comparison group shall remain the same  
10 for the final calculation of aid pursuant to section 79-1065;

11 (2) For districts with nine hundred or more formula  
12 students, basic funding shall equal the ~~adjusted~~ formula students  
13 multiplied by the average of the adjusted general fund operating  
14 expenditures per formula student for each district in the  
15 comparison group, excluding both the district with the highest  
16 adjusted general fund operating expenditures per ~~adjusted~~ formula  
17 student and the district with the lowest adjusted general fund  
18 operating expenditures per formula student of the districts in the  
19 comparison group; and

20 (3) For districts with fewer than nine hundred formula  
21 students, basic funding shall equal the product of the average  
22 of the adjusted general fund operating expenditures for each  
23 district in the comparison group, excluding both the district  
24 with the highest adjusted general fund operating expenditures  
25 and the district with the lowest adjusted general fund operating  
26 expenditures of the districts in the comparison group.

27 Sec. 30. Section 79-1007.20, Reissue Revised Statutes of

1 Nebraska, is amended to read:

2           79-1007.20 (1) For school fiscal year 2009-10 and each  
3 school fiscal year thereafter, school districts may apply to the  
4 department for a student growth adjustment, on a form prescribed  
5 by the department, on or before October ~~10~~ 15 of the school fiscal  
6 year immediately preceding the school fiscal year for which aid  
7 is being calculated. Such form shall require an estimate of the  
8 average daily membership for the school fiscal year for which aid  
9 is being calculated, the estimated student growth calculated by  
10 subtracting the fall membership of the current school fiscal year  
11 from the estimated average daily membership for the school fiscal  
12 year for which aid is being calculated, and evidence supporting  
13 the estimates. On or before the immediately following December  
14 1, the department shall approve the estimated student growth,  
15 approve a modified student growth, or deny the application based  
16 on the requirements of this section, the evidence submitted on the  
17 application, and any other information provided by the department.  
18 The state board shall establish procedures for appeal of decisions  
19 of the department to the state board for final determination.

20           (2) The student growth adjustment for each approved  
21 district shall equal the sum of the product of the school  
22 district's basic funding per formula student multiplied by the  
23 difference of the approved student growth minus the greater of  
24 twenty-five students or one percent of the fall membership for the  
25 school fiscal year immediately preceding the school fiscal year for  
26 which aid is being calculated plus the product of fifty percent of  
27 the school district's basic funding per formula student multiplied

1 by the greater of twenty-five students or one percent of the fall  
2 membership for the school fiscal year immediately preceding the  
3 school fiscal year for which aid is being calculated.

4 (3) For school fiscal year 2011-12 and each school  
5 fiscal year thereafter, the department shall calculate a student  
6 growth adjustment correction for each district that received a  
7 student growth adjustment for aid distributed in the most recently  
8 available complete data year. Such student growth correction shall  
9 equal the product of the difference of the average daily membership  
10 for such school fiscal year minus the sum of the formula students  
11 and the approved student growth used to calculate the student  
12 growth adjustment for such school fiscal year multiplied by the  
13 school district's basic funding per formula student used in the  
14 final calculation of aid pursuant to section 79-1065 for such  
15 school fiscal year, except that the absolute value of a negative  
16 correction shall not exceed the original adjustment.

17 Sec. 31. Section 79-1007.21, Reissue Revised Statutes of  
18 Nebraska, is amended to read:

19 79-1007.21 (1) For school fiscal year 2009-10 and each  
20 school fiscal year thereafter, school districts may apply to  
21 the department for a two-year new school adjustment, on a form  
22 prescribed by the department, on or before October ~~10~~ 15 of  
23 the school fiscal year immediately preceding the school fiscal  
24 year for which the first-year new school adjustment would be  
25 included in the calculation of state aid. Such form shall require  
26 evidence of recent and expected student growth, evidence that  
27 a new building or the expansion or remodeling of an existing

1 building is being completed to provide additional student capacity  
2 to accommodate such growth and not to replace an existing building,  
3 evidence that the school fiscal year for which the district  
4 would receive the first-year adjustment will be the first full  
5 school fiscal year for which students will utilize such additional  
6 capacity, and evidence of the estimated additional student capacity  
7 to be provided by the project. On or before the immediately  
8 following December 1, the department shall approve the estimated  
9 additional capacity for use in the adjustment, approve a modified  
10 estimated additional capacity for use in the adjustment, or deny  
11 the application based on the requirements of this section, the  
12 evidence submitted on the application, and any other information  
13 provided by the department. Each approval shall include an approved  
14 estimated additional student capacity for the new building. The  
15 state board shall establish procedures for appeal of decisions of  
16 the department to the state board for final determination.

17 (2) The first-year new school adjustment for each  
18 approved district shall equal the school district's basic funding  
19 per formula student multiplied by twenty percent of the approved  
20 estimated additional student capacity. The second-year new school  
21 adjustment for each approved district shall equal the school  
22 district's basic funding per formula student multiplied by ten  
23 percent of the approved estimated additional student capacity.

24 Sec. 32. Section 79-1007.22, Reissue Revised Statutes of  
25 Nebraska, as amended by section 4, Legislative Bill 62, One Hundred  
26 First Legislature, First Session, 2009, is amended to read:

27 79-1007.22 (1) For state aid calculated for each of

1 the second and third full school fiscal years of a new learning  
2 community, each member school district may apply to the department  
3 for a new learning community transportation adjustment, on a  
4 form prescribed by the department, on or before October ~~10~~  
5 15 of the school fiscal year immediately preceding the school  
6 fiscal year for which the new learning community transportation  
7 adjustment would be included in the calculation of state aid.  
8 Such form shall require evidence supporting estimates of increased  
9 transportation costs for the district due to the provisions of  
10 subsection (2) of section 79-611. On or before the immediately  
11 following December 1, the department shall approve the estimate of  
12 increased transportation costs for use in the adjustment, approve  
13 a modified estimate of increased transportation costs for use in  
14 the adjustment, or deny the application based on the requirements  
15 of this section, the evidence submitted on the application, and any  
16 other information provided by the department. The state board shall  
17 establish procedures for appeal of decisions of the department to  
18 the state board for final determination.

19 (2) The new learning community transportation adjustment  
20 shall equal the approved estimate of increased transportation  
21 costs due to the provisions of subsection (2) of section 79-611.  
22 School districts shall submit evidence of the actual increase in  
23 transportation costs due to the provisions of subsection (2) of  
24 section 79-611, and the department shall recalculate the adjustment  
25 using such actual costs pursuant to section 79-1065.

26 Sec. 33. Section 79-1014, Reissue Revised Statutes of  
27 Nebraska, is amended to read:

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

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

23                   (a) Identification of students with limited English  
24 proficiency;

25                   (b) Instructional approaches;

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

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

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

6 Sec. 34. Section 79-1065.01, Reissue Revised Statutes of  
7 Nebraska, is amended to read:

8 79-1065.01 If the adjustment under section 79-1065  
9 results in a school district being entitled to the payment of  
10 additional funds, the district may apply to the State Department of  
11 Education for a lump-sum payment for any amount up to one hundred  
12 percent of the adjustment, except that when a school district is to  
13 receive a lump-sum payment pursuant to section 79-1022, one hundred  
14 percent of the adjustment shall be paid as one lump-sum payment on  
15 the last business day of December during the ensuing school fiscal  
16 year. The department shall notify the Director of Administrative  
17 Services of the amount of funds to be paid in a lump sum and the  
18 reduced amount of the monthly payments pursuant to section 79-1022.  
19 The department shall make such payment in a lump sum not later  
20 than the last business day of September of the year in which the  
21 final determination under this section is made. ~~7~~ ~~except that when~~  
22 ~~a school district is to receive a monthly payment of less than one~~  
23 ~~thousand dollars, such payment shall be one lump-sum payment on~~  
24 ~~the last business day of December during the ensuing school fiscal~~  
25 ~~year.~~

26 Sec. 35. Section 79-1084, Reissue Revised Statutes of  
27 Nebraska, is amended to read:

1                   79-1084 The school board of a Class III school district  
2 shall annually, on or before September 20, report in writing to  
3 the county board and the learning community coordinating council if  
4 the school district is a member of a learning community the entire  
5 revenue raised by taxation and all other sources and received by  
6 the school board for the previous school fiscal year and a budget  
7 for the ensuing school fiscal year ~~in form of a resolution~~ broken  
8 down generally as follows: (1) The amount of funds required for the  
9 support of the schools during the ensuing school fiscal year; (2)  
10 the amount of funds required for the ~~purpose~~ purchase of school  
11 sites; (3) the amount of funds required for the erection of school  
12 buildings; (4) the amount of funds required for the payment of  
13 interest upon all bonds issued for school purposes; and (5) the  
14 amount of funds required for the creation of a sinking fund for the  
15 payment of such indebtedness. The secretary shall publish, within  
16 ten days after the filing of such budget, a copy of the fund  
17 summary pages of the budget one time at the legal rate prescribed  
18 for the publication of legal notices in a legal newspaper published  
19 in and of general circulation in such city or village or, if none  
20 is published in such city or village, in a legal newspaper of  
21 general circulation in the city or village. The secretary of the  
22 school board failing or neglecting to comply with this section  
23 shall be deemed guilty of a Class V misdemeanor and, in the  
24 discretion of the court, the judgment of conviction may provide  
25 for the removal from office of such secretary for such failure  
26 or neglect. For Class III school districts that are not members  
27 of a learning community, the county board shall levy and collect

1 such taxes as are necessary to provide the amount of revenue from  
2 property taxes as indicated by all the data contained in the budget  
3 and the certificate prescribed by this section, at the time and in  
4 the manner provided in section 77-1601.

5           Sec. 36. Section 79-1086, Reissue Revised Statutes of  
6 Nebraska, is amended to read:

7           79-1086 (1) The board of education of a Class V school  
8 district that is not a member of a learning community shall  
9 annually during the month of July estimate the amount of resources  
10 likely to be received for school purposes, including the amounts  
11 available from fines, licenses, and other sources. Before the  
12 county board of equalization makes its levy each year, the board  
13 of education shall report to the county clerk the rate of tax  
14 deemed necessary to be levied upon the taxable value of all the  
15 taxable property of the district subject to taxation during the  
16 fiscal year next ensuing for (a) the support of the schools,  
17 (b) the purchase of school sites, (c) the erection, alteration,  
18 equipping, and furnishing of school buildings and additions to  
19 school buildings, (d) the payment of interest upon all bonds issued  
20 for school purposes, and (e) the creation of a sinking fund for  
21 the payment of such indebtedness. The county board of equalization  
22 shall levy the rate of tax so reported and demanded by the board of  
23 education and collect the tax in the same manner as other taxes are  
24 levied and collected.

25           (2) The school board of a Class V school district that  
26 is a member of a learning community shall annually, on or before  
27 September 20, report in writing to the county board and the

1 learning community coordinating council the entire revenue raised  
2 by taxation and all other sources and received by the school board  
3 for the previous school fiscal year and a budget for the ensuing  
4 school fiscal year in form of a resolution broken down generally  
5 as follows: (a) The amount of funds required for the support of  
6 the schools during the ensuing school fiscal year; (b) the amount  
7 of funds required for the ~~purpose~~ purchase of school sites; (c)  
8 the amount of funds required for the erection of school buildings;  
9 (d) the amount of funds required for the payment of interest upon  
10 all bonds issued for school purposes; and (e) the amount of funds  
11 required for the creation of a sinking fund for the payment of such  
12 indebtedness. The secretary shall publish, within ten days after  
13 the filing of such budget, a copy of the fund summary pages of the  
14 budget one time at the legal rate prescribed for the publication  
15 of legal notices in a legal newspaper published in and of general  
16 circulation in such city or village or, if none is published in  
17 such city or village, in a legal newspaper of general circulation  
18 in the city or village. The secretary of the school board failing  
19 or neglecting to comply with this section shall be deemed guilty  
20 of a Class V misdemeanor and, in the discretion of the court, the  
21 judgment of conviction may provide for the removal from office of  
22 such secretary for such failure or neglect.

23           Sec. 37. Section 79-10,110, Reissue Revised Statutes of  
24 Nebraska, is amended to read:

25           79-10,110 (1) After making a determination that an actual  
26 or potential environmental hazard or accessibility barrier exists,  
27 that a life safety code violation exists, or that expenditures

1 are needed for indoor air quality or mold abatement and prevention  
2 within the school buildings or grounds under its control, a school  
3 board may make and deliver to the county clerk of such county  
4 in which any part of the school district is situated, not later  
5 than the date provided in section 13-508, an itemized estimate of  
6 the amounts necessary to be expended for the abatement of such  
7 environmental hazard, for accessibility barrier elimination, or for  
8 modifications for life safety code violations, indoor air quality,  
9 or mold abatement and prevention in such school buildings or  
10 grounds. ~~The board shall conduct a public hearing on the itemized~~  
11 ~~estimate prior to presenting such estimate to the county clerk.~~  
12 ~~Notice of the place and time of such hearing shall, at least five~~  
13 ~~days prior to the date set for hearing, be published in a newspaper~~  
14 ~~of general circulation within the school district.~~ The board shall  
15 designate the particular environmental hazard abatement project,  
16 accessibility barrier elimination project, or modification for life  
17 safety code violations, indoor air quality, or mold abatement and  
18 prevention for which the tax levy provided for by this section will  
19 be expended, the period of years, which shall not exceed ten years,  
20 for which the tax will be levied for such project, and the amount  
21 of the levy for each year of the period.

22 (2) After a public hearing, a school board may undertake  
23 any qualified capital purpose in any qualified zone academy under  
24 its control and may levy a tax as provided in this section to  
25 repay a qualified zone academy bond issued for such undertaking.  
26 The board shall designate the particular qualified capital purpose  
27 for which the qualified zone academy bond was issued and for which

1 the tax levy provided for by this section will be expended, the  
2 period of years, not exceeding fifteen, for which the tax will be  
3 levied for such qualified zone academy bond, and the amount of the  
4 levy for each year of the period. The hearing required by this  
5 subsection shall be held only after notice of such hearing has been  
6 published for three consecutive weeks prior to the hearing in a  
7 legal newspaper published or of general circulation in the school  
8 district.

9 (3) The board may designate more than one project under  
10 subsection (1) of this section or qualified capital purpose  
11 under subsection (2) of this section and levy a tax pursuant  
12 to this section for each such project or qualified capital  
13 purpose, concurrently or consecutively, as the case may be, if  
14 the aggregate levy in each year and the duration of each such  
15 levy will not exceed the limitations specified in this section.  
16 Each levy for a project or qualified capital purpose which is  
17 authorized by this section may be imposed for such duration as  
18 the board specifies, notwithstanding the contemporaneous existence  
19 or subsequent imposition of any other levy for another project  
20 or qualified capital purpose imposed pursuant to this section and  
21 notwithstanding the subsequent issuance by the district of bonded  
22 indebtedness payable from its general fund levy.

23 (4) The county clerk shall levy such taxes, not to  
24 exceed five and one-fifth cents per one hundred dollars of  
25 taxable valuation for Class II, III, IV, V, and VI districts,  
26 and not to exceed the limits set for Class I districts in section  
27 79-10,124, on the taxable property of the district necessary to (a)

1 cover the environmental hazard abatement or accessibility barrier  
2 elimination project costs or costs for modification for life  
3 safety code violations, indoor air quality, or mold abatement and  
4 prevention itemized by the board pursuant to subsection (1) of this  
5 section and (b) repay any qualified zone academy bonds pursuant to  
6 subsection (2) of this section. Such taxes shall be collected by  
7 the county treasurer at the same time and in the same manner as  
8 county taxes are collected and when collected shall be paid to the  
9 treasurer of the district and used to cover the project costs.

10 (5) If such board operates grades nine through twelve  
11 as part of an affiliated school system, it shall designate the  
12 fraction of the project or undertaking to be conducted for the  
13 benefit of grades nine through twelve. Such fraction shall be  
14 raised by a levy placed upon all of the taxable value of all  
15 taxable property in the affiliated school system pursuant to  
16 subsection (2) of section 79-1075. The balance of the project or  
17 undertaking to be conducted for the benefit of grades kindergarten  
18 through eight shall be raised by a levy placed upon all of the  
19 taxable value of all taxable property in the district which is  
20 governed by such board. The combined rate for both levies in the  
21 high school district, to be determined by such board, shall not  
22 exceed five and one-fifth cents on each one hundred dollars of  
23 taxable value.

24 (6) Each board which submits an itemized estimate shall  
25 establish an environmental hazard abatement and accessibility  
26 barrier elimination project account, a life safety code  
27 modification project account, an indoor air quality project

1 account, or a mold abatement and prevention project account, and  
2 each board which undertakes a qualified capital purpose shall  
3 establish a qualified capital purpose undertaking account, within  
4 the qualified capital purpose undertaking fund. Taxes collected  
5 pursuant to this section shall be credited to the appropriate  
6 account to cover the project or undertaking costs. Such estimates  
7 may be presented to the county clerk and taxes levied accordingly.

8 (7) For purposes of this section:

9 (a) Abatement includes, but is not limited to, any  
10 inspection and testing regarding environmental hazards, any  
11 maintenance to reduce, lessen, put an end to, diminish, moderate,  
12 decrease, control, dispose of, or eliminate environmental hazards,  
13 any removal or encapsulation of environmentally hazardous material  
14 or property, any restoration or replacement of material or  
15 property, any related architectural and engineering services, and  
16 any other action to reduce or eliminate environmental hazards in  
17 the school buildings or on the school grounds under the board's  
18 control, except that abatement does not include the encapsulation  
19 of any material containing more than one percent friable asbestos;

20 (b) Accessibility barrier means anything which impedes  
21 entry into, exit from, or use of any building or facility by all  
22 people;

23 (c) Accessibility barrier elimination includes, but is  
24 not limited to, inspection for and removal of accessibility  
25 barriers, maintenance to reduce, lessen, put an end to, diminish,  
26 control, dispose of, or eliminate accessibility barriers, related  
27 restoration or replacement of facilities or property, any related

1 architectural and engineering services, and any other action to  
2 eliminate accessibility barriers in the school buildings or grounds  
3 under the board's control;

4 (d) Environmental hazard means any contamination of the  
5 air, water, or land surface or subsurface caused by any substance  
6 adversely affecting human health or safety if such substance has  
7 been declared hazardous by a federal or state statute, rule, or  
8 regulation;

9 (e) Modification for indoor air quality includes, but  
10 is not limited to, any inspection and testing regarding indoor  
11 air quality, any maintenance to reduce, lessen, put an end to,  
12 diminish, moderate, decrease, control, dispose of, or eliminate  
13 indoor air quality problems, any restoration or replacement of  
14 material or related architectural and engineering services, and any  
15 other action to reduce or eliminate indoor air quality problems  
16 or to enhance air quality conditions in new or existing school  
17 buildings or on school grounds under the control of a school board;

18 (f) Modification for life safety code violation includes,  
19 but is not limited to, any inspection and testing regarding life  
20 safety codes, any maintenance to reduce, lessen, put an end to,  
21 diminish, moderate, decrease, control, dispose of, or eliminate  
22 life safety hazards, any restoration or replacement of material or  
23 property, any related architectural and engineering services, and  
24 any other action to reduce or eliminate life safety hazards in new  
25 or existing school buildings or on school grounds under the control  
26 of a school board;

27 (g) Modification for mold abatement and prevention

1 includes, but is not limited to, any inspection and testing  
2 regarding mold abatement and prevention, any maintenance to  
3 reduce, lessen, put an end to, diminish, moderate, decrease,  
4 control, dispose of, or eliminate mold problems, any restoration or  
5 replacement of material or related architectural and engineering  
6 services, and any other action to reduce or eliminate mold problems  
7 or to enhance air quality conditions in new or existing school  
8 buildings or on school grounds under the control of a school board;

9 (h) Qualified capital purpose means (i) rehabilitating or  
10 repairing the public school facility in which the qualified zone  
11 academy is established or (ii) providing equipment for use at such  
12 qualified zone academy;

13 (i) Qualified zone academy has the meaning found in 26  
14 U.S.C. 1397E(d)(4), as such section existed on April 6, 2001;

15 (j) Qualified zone academy allocation means the  
16 allocation of the qualified zone academy bond limitation by the  
17 State Department of Education to the qualified zone academies  
18 pursuant to 26 U.S.C. 1397E(e)(2), as such section existed on April  
19 6, 2001; and

20 (k) Qualified zone academy bond has the meaning found in  
21 26 U.S.C. 1397E(d)(1), as such section existed on May 8, 2001.

22 (8) Accessibility barrier elimination project costs  
23 includes, but is not limited to, inspection, maintenance,  
24 accounting, emergency services, consultation, or any other action  
25 to reduce or eliminate accessibility barriers.

26 (9) For the purpose of paying amounts necessary for  
27 the abatement of environmental hazards, accessibility barrier

1 elimination, or modifications for life safety code violations,  
2 indoor air quality, or mold abatement and prevention, the board may  
3 borrow money and issue bonds and other evidences of indebtedness  
4 of the district, which bonds and other evidences of indebtedness  
5 shall be secured by and payable from an irrevocable pledge by the  
6 district of amounts received in respect of the tax levy provided  
7 for by this section and any other funds of the district available  
8 therefor. Bonds and other evidences of indebtedness issued by a  
9 district pursuant to this subsection shall not constitute a general  
10 obligation of the district or be payable from any portion of its  
11 general fund levy.

12           (10) The total principal amount of bonds for  
13 modifications to correct life safety code violations, for indoor  
14 air quality problems, or for mold abatement and prevention which  
15 may be issued pursuant to this section shall not exceed the total  
16 amount specified in the itemized estimate described in subsection  
17 (1) of this section.

18           (11) The total principal amount of qualified zone academy  
19 bonds which may be issued pursuant to this section for qualified  
20 capital purposes with respect to a qualified zone academy shall  
21 not exceed the qualified zone academy allocation granted to the  
22 board by the department. The total amount that may be financed by  
23 qualified zone academy bonds pursuant to this section for qualified  
24 purposes with respect to a qualified zone academy shall not exceed  
25 seven and one-half million dollars statewide in a single year.  
26 In any year that the Nebraska qualified zone academy allocations  
27 exceed seven and one-half million dollars for qualified capital

1 purposes to be financed with qualified zone academy bonds issued  
2 pursuant to this section, (a) the department shall reduce such  
3 allocations proportionally such that the statewide total for such  
4 allocations equals seven and one-half million dollars and (b) the  
5 difference between the Nebraska allocation and seven and one-half  
6 million dollars shall be available to qualified zone academies for  
7 requests that will be financed with qualified zone academy bonds  
8 issued without the benefit of this section.

9           Nothing in this section directs the State Department of  
10 Education to give any preference to allocation requests that will  
11 be financed with qualified zone academy bonds issued pursuant to  
12 this section.

13           Sec. 38. Section 79-1102.01, Reissue Revised Statutes of  
14 Nebraska, is amended to read:

15           79-1102.01 For school ~~year~~ years 2008-09 and 2009-10, any  
16 early childhood education program as defined in section 79-1101  
17 established by a school board or an educational service unit that  
18 is not receiving a grant pursuant to section 79-1103 or funding  
19 through the Tax Equity and Educational Opportunities Support Act  
20 may enroll children who meet the age requirements to be enrolled  
21 in kindergarten pursuant to section 79-214, but who are not then  
22 enrolled in kindergarten and who are not of mandatory attendance  
23 age pursuant to section 79-201.

24           Sec. 39. Section 79-1110, Reissue Revised Statutes of  
25 Nebraska, is amended to read:

26           79-1110 Sections 79-1110 to ~~79-1178~~ 79-1167 shall be  
27 known and may be cited as the Special Education Act.

1           Sec. 40. Section 79-1127, Reissue Revised Statutes of  
2 Nebraska, is amended to read:

3           79-1127 The board of education of every school district  
4 shall provide or contract for special education programs and  
5 transportation for all resident children with disabilities who  
6 would benefit from such programs in accordance with the Special  
7 Education Act and all applicable requirements of the federal  
8 Individuals With Disabilities Education Act, 20 U.S.C. 1401 et  
9 seq., as such sections existed on January 1, 2009, and the  
10 regulations adopted thereunder.

11          Sec. 41. Section 79-1148, Reissue Revised Statutes of  
12 Nebraska, is amended to read:

13          79-1148 The State Department of Education is authorized  
14 to set up one or more statewide regional networks, approved  
15 schools, or centers for children with disabilities. These schools  
16 or centers shall Any such regional network, school, or center  
17 may offer residential facilities or services for such children,  
18 which facilities and such services shall be under the control and  
19 supervision of the State Department of Education.

20          Sec. 42. Section 79-1149, Reissue Revised Statutes of  
21 Nebraska, is amended to read:

22          79-1149 The admission to any regional network, school,  
23 or center, as provided by section 79-1148, shall be by rules and  
24 regulations to be adopted, promulgated, and administered by the  
25 State Department of Education.

26          Sec. 43. Section 79-1150, Reissue Revised Statutes of  
27 Nebraska, is amended to read:

1           79-1150 All money derived from any source other than  
2 General Fund appropriations by any ~~school~~ regional network, school,  
3 or center as provided ~~by~~ in sections 79-1148 and 79-1149 shall be  
4 remitted to the State Treasurer for credit to the State Department  
5 of Education Cash Fund, and such money shall be made available to  
6 any such ~~school~~ regional network, school, or center for purposes of  
7 education, training, or maintenance of students.

8           Sec. 44. Section 79-1161, Reissue Revised Statutes of  
9 Nebraska, is amended to read:

10           79-1161 (1) A ~~surrogate parent~~ shall be appointed by  
11 a ~~school district~~ School districts shall establish and maintain  
12 procedures to protect the rights of a child with a disability ~~if~~  
13 ~~the district determines that~~ ~~(a) the~~ whenever (a) ~~no~~ parents of the  
14 child ~~cannot~~ can be identified, (b) ~~the parents~~ the school district  
15 cannot, after reasonable efforts, locate a parent of the child, ~~are~~  
16 ~~unknown or unavailable,~~ ~~or~~ (c) the child is a ward of the state,  
17 or (d) the child is an unaccompanied homeless youth as defined in  
18 the McKinney-Vento Homeless Assistance Act, 42 U.S.C. 11434a(6),  
19 as such section existed on January 1, 2009. Such procedures shall  
20 include the assignment of an individual to act as a surrogate for  
21 the parents. The school district shall make reasonable efforts to  
22 ensure the assignment of a surrogate not more than thirty days  
23 after there is a determination by the district that the child  
24 needs a surrogate. In the case of a child who is a ward of the  
25 state, such surrogate may alternatively be appointed by the judge  
26 overseeing the child's care if the surrogate meets the requirements  
27 of subdivision (2)(c) of this section.

1           (2) The surrogate parent shall (a) have no interest which  
2 conflicts with the interest of the child, (b) have knowledge and  
3 skills that insure adequate representation, and (c) not be an  
4 employee of any agency involved in the care or education of the  
5 child. A person otherwise qualified to be a surrogate parent under  
6 this subsection is not an employee of the agency solely because  
7 he or she is paid by the agency to serve as a surrogate parent.

8 The surrogate parent appointed under this section may represent the  
9 child in all matters relating to the identification, evaluation,  
10 and educational placement of the child and the provision of a free  
11 appropriate public education to the child.

12           (3) The services of the surrogate parent shall be  
13 terminated when (a) the child is no longer eligible under  
14 subsection (1) of this section, (b) a conflict of interest develops  
15 between the interest of the child and the interest of the surrogate  
16 parent, or (c) the surrogate parent fails to fulfill his or her  
17 duties as a surrogate parent. Issues arising from the selection,  
18 appointment, or removal of a surrogate parent by a school district  
19 shall be resolved through hearings established under sections  
20 79-1162 to 79-1167. The surrogate parent and the school district  
21 which appointed the surrogate parent shall not be liable in civil  
22 actions for damages for acts of the surrogate parent unless such  
23 acts constitute willful and wanton misconduct.

24           Sec. 45. Section 79-1204, Reissue Revised Statutes of  
25 Nebraska, is amended to read:

26           79-1204 (1) The role and mission of the educational  
27 service units is to serve as educational service providers in the

1 state's system of elementary and secondary education.

2 (2) Educational service units shall:

3 (a) Act primarily as service agencies in providing core  
4 services and services identified and requested by member school  
5 districts;

6 (b) Provide for economy, efficiency, and  
7 cost-effectiveness in the cooperative delivery of educational  
8 services;

9 (c) Provide educational services through leadership,  
10 research, and development in elementary and secondary education;

11 (d) Act in a cooperative and supportive role with the  
12 State Department of Education and school districts in development  
13 and implementation of long-range plans, strategies, and goals for  
14 the enhancement of educational opportunities in elementary and  
15 secondary education; and

16 (e) Serve, when appropriate and as funds become  
17 available, as a repository, clearinghouse, and administrator of  
18 federal, state, and private funds on behalf of school districts  
19 which choose to participate in special programs, projects, or  
20 grants in order to enhance the quality of education in Nebraska  
21 schools.

22 (3) ~~Except as provided in section 79-1241, core~~ Core  
23 services shall be provided by educational service units to all  
24 member school districts. Core services shall be defined by each  
25 educational service unit as follows:

26 (a) Core services shall be within the following service  
27 areas in order of priority: (i) Staff development which shall

1 include access to staff development related to improving the  
2 achievement of students in poverty and students with diverse  
3 backgrounds; (ii) technology, including distance education  
4 services; and (iii) instructional materials services;

5 (b) Core services shall improve teaching and student  
6 learning by focusing on enhancing school improvement efforts,  
7 meeting statewide requirements, and achieving statewide goals in  
8 the state's system of elementary and secondary education;

9 (c) Core services shall provide schools with access to  
10 services that:

11 (i) The educational service unit and its member school  
12 districts have identified as necessary services;

13 (ii) Are difficult, if not impossible, for most  
14 individual school districts to effectively and efficiently provide  
15 with their own personnel and financial resources;

16 (iii) Can be efficiently provided by each educational  
17 service unit to its member school districts; and

18 (iv) Can be adequately funded to ensure that the service  
19 is provided equitably to the state's public school districts;

20 (d) Core services shall be designed so that the  
21 effectiveness and efficiency of the service can be evaluated on a  
22 statewide basis; and

23 (e) Core services shall be provided by the educational  
24 service unit in a manner that minimizes the costs of administration  
25 or service delivery to member school districts.

26 (4) Educational service units shall meet minimum  
27 accreditation standards set by the State Board of Education that

1 will:

2 (a) Provide for accountability to taxpayers;

3 (b) Assure that educational service units are assisting  
4 and cooperating with school districts to provide for equitable and  
5 adequate educational opportunities statewide; and

6 (c) Assure a level of quality in educational programs and  
7 services provided to school districts by the educational service  
8 units.

9 (5) Educational service units may contract to provide  
10 services to:

11 (a) Nonmember public school districts;

12 (b) Nonpublic school systems;

13 (c) Other educational service units; and

14 (d) Other political subdivisions, under the Interlocal  
15 Cooperation Act and the Joint Public Agency Act.

16 (6) Educational service units shall not regulate school  
17 districts unless specifically provided pursuant to another section  
18 of law.

19 Sec. 46. Section 79-1212, Reissue Revised Statutes of  
20 Nebraska, is amended to read:

21 79-1212 Members of boards of educational service units  
22 existing prior to approval of any plan of reorganization shall  
23 serve as board members of educational service units which are  
24 reorganized pursuant to sections 79-1206 to 79-1211 until the  
25 expiration of their original terms. Such persons shall be members  
26 of the board of the reorganized educational service unit in which  
27 they reside. Within thirty days after approval of any plan of

1 reorganization by the State Board of Education, the ~~Commissioner of~~  
2 ~~Education~~ president of the board of each educational service unit  
3 being reorganized shall call a meeting of board members of each  
4 educational service unit. ~~being reorganized pursuant to sections~~  
5 ~~79-1206 to 79-1211.~~ At such meeting, members of each such board  
6 shall appoint one member from each election district to be created  
7 pursuant to the plan of reorganization not having representation  
8 on such board to serve until the next general election. The board  
9 shall take all necessary action to prepare for operation of the  
10 reorganized educational service unit ~~commencing one year~~ following  
11 approval of any plan of reorganization by the State Board of  
12 Education. Expenses incurred by such board prior to such times  
13 shall be prorated between the counties comprising the educational  
14 service unit on the basis of the assessed valuation of such  
15 counties.

16           Sec. 47. Section 79-1241.01, Reissue Revised Statutes of  
17 Nebraska, is amended to read:

18           79-1241.01 To carry out sections ~~79-1241, 79-1241.03,~~  
19 79-1241.03 and 79-1243, it is the intent of the Legislature  
20 to appropriate for each fiscal year the amount appropriated in  
21 the prior year increased by the percentage growth in the fall  
22 membership of member districts plus the basic allowable growth  
23 rate described in section 79-1025. For purposes of this section,  
24 fall membership has the same meaning as in section 79-1003. Fall  
25 membership data used to compute growth shall be from the two most  
26 recently available fall membership reports.

27           Sec. 48. Section 79-1241.03, Reissue Revised Statutes of

1 Nebraska, is amended to read:

2           79-1241.03 For school fiscal year 2008-09 and each school  
3 fiscal year thereafter:

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

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

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

27           (c) The satellite office allocation for each educational

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

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

18 (e) The adjusted valuation for each educational service  
19 unit shall equal the total adjusted valuation of the member school  
20 districts pursuant to section 79-1016 used for the calculation of  
21 state aid for school districts pursuant to the act for the school  
22 fiscal year for which the distribution is being calculated pursuant  
23 to this section, except that such adjusted valuation for member  
24 school districts that are also member districts of a learning  
25 community shall be reduced by fifty percent. The adjusted valuation  
26 for each learning community shall equal fifty percent of the total  
27 adjusted valuation of the member school districts pursuant to

1 section 79-1016 used for the calculation of state aid for school  
2 districts pursuant to the act for the school fiscal year for which  
3 the distribution is being calculated pursuant to this section;

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

6 (g) Except as provided in subdivision (5) of this  
7 section, the statewide student allocation shall equal the  
8 difference of the sum of the amount appropriated for distribution  
9 pursuant to this section plus the product of the statewide adjusted  
10 valuation multiplied by the local effort rate minus the distance  
11 education and telecommunications allowance, base allocation, and  
12 satellite office allocation for all educational service units;

13 (h) The sparsity adjustment for each educational service  
14 unit and learning community shall equal the sum of one plus  
15 one-tenth of the ratio of the square miles within the boundaries  
16 of the educational service unit divided by the fall membership of  
17 the member school districts for the school fiscal year immediately  
18 preceding the school fiscal year for which the distribution is  
19 being calculated pursuant to this section;

20 (i) The adjusted students for each educational service  
21 unit shall equal the fall membership for the school fiscal year  
22 immediately preceding the school fiscal year for which aid is being  
23 calculated of the member school districts that will not be members  
24 of a learning community and fifty percent of the fall membership  
25 for such school fiscal year of the member school districts that  
26 will be members of a learning community pursuant to this section  
27 multiplied by the sparsity adjustment for the educational service

1 unit, and the adjusted students for each learning community shall  
2 equal fifty percent of the fall membership for such school fiscal  
3 year of the member school districts multiplied by the sparsity  
4 adjustment for the learning community;

5 (j) The per student allocation shall equal the statewide  
6 student allocation divided by the total adjusted students for all  
7 educational service units and learning communities;

8 (k) The student allocation for each educational service  
9 unit and learning community shall equal the per student allocation  
10 multiplied by the adjusted students for the educational service  
11 unit or learning community;

12 (l) The needs for each educational service unit shall  
13 equal the sum of the distance education and telecommunications  
14 allowance, base allocation, satellite office allocation, and  
15 student allocation for the educational service unit and the needs  
16 for each learning community shall equal the student allocation for  
17 the learning community; and

18 (m) The distribution of core services and technology  
19 infrastructure funds for each educational service unit and learning  
20 community shall equal the needs for each educational service unit  
21 or learning community minus the product of the adjusted valuation  
22 for the educational service unit or learning community multiplied  
23 by the local effort rate;

24 (3) If an educational service unit is the result of  
25 a merger or received new member school districts from another  
26 educational service unit, such educational service unit shall,  
27 for each of the three fiscal years following the fiscal year in

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

1 merger or the transfer of school districts multiplied by a ratio  
2 equal to the valuation that was transferred to or retained by the  
3 educational service unit for which the minimum is being calculated  
4 divided by the total valuation of the educational service unit  
5 transferring or retaining the territory;

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

1 subdivisions (2) through (6) of this section or ~~sections 79-1241~~  
2 ~~and section~~ 79-1243 for the immediately preceding fiscal year;

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

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

1 of the adjusted students in the member school districts used  
2 in calculations pursuant to this section for such funds. Funds  
3 distributed to learning communities shall be used for learning  
4 community purposes pursuant to sections 79-2104 and 79-2115, with  
5 the approval of the learning community coordinating council.

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

10 Sec. 49. Section 79-1601, Reissue Revised Statutes of  
11 Nebraska, is amended to read:

12 79-1601 (1) Except as provided in subsections (2) through  
13 (6) of this section, all private, denominational, and parochial  
14 schools in the State of Nebraska and all teachers employed or  
15 giving instruction in such schools shall be subject to and governed  
16 by the provisions of the general school laws of the state so far  
17 as the same apply to grades, qualifications, and certification  
18 of teachers and promotion of ~~pupils~~ students. All private,  
19 denominational, and parochial schools shall have adequate equipment  
20 and supplies, shall be graded the same, and shall have courses  
21 of study for each grade conducted in such schools substantially  
22 the same as those given in the public schools ~~where the children~~  
23 ~~attending~~ which the students would attend in the absence of such  
24 private, denominational, or parochial schools.

25 (2) All private, denominational, or parochial schools  
26 shall either comply with the accreditation or approval requirements  
27 prescribed in section 79-318 or, for those schools which elect not

1 to meet accreditation or approval requirements, the requirements  
2 prescribed in section 79-318 and subsections (2) through (6)  
3 of this section. Standards and procedures for approval and  
4 accreditation shall be based upon the program of studies, guidance  
5 services, the number and preparation of teachers in relation to the  
6 curriculum and enrollment, instructional materials and equipment,  
7 science facilities and equipment, library facilities and materials,  
8 and health and safety factors in buildings and grounds. Rules  
9 and regulations which govern standards and procedures for private,  
10 denominational, and parochial schools which elect, pursuant to  
11 the procedures prescribed in subsections (2) through (6) of this  
12 section, not to meet state accreditation or approval requirements  
13 shall be based upon evidence that such schools offer a program  
14 of instruction leading to the acquisition of basic skills in  
15 the language arts, mathematics, science, social studies, and  
16 health. Such rules and regulations may include a provision for  
17 the visitation of such schools and regular achievement testing  
18 of students attending such schools in order to insure that such  
19 schools are offering instruction in the basic skills listed in  
20 this subsection. Any arrangements for visitation or testing shall  
21 be made through a parent representative of each such school. The  
22 results of such testing may be used as evidence that such schools  
23 are offering instruction in such basic skills but shall not be used  
24 to measure, compare, or evaluate the competency of students at such  
25 schools.

26 (3) The provisions of subsections (3) through (6) of this  
27 section shall apply to any private, denominational, or parochial

1 school in the State of Nebraska which elects not to meet state  
2 accreditation or approval requirements. Elections pursuant to such  
3 subsections shall be effective when a statement is received by the  
4 Commissioner of Education signed by the parents or legal guardians  
5 of all ~~children~~ students attending such private, denominational,  
6 or parochial school, stating that (a) either specifically (i) the  
7 requirements for approval and accreditation required by law and the  
8 rules and regulations adopted and promulgated by the State Board of  
9 Education violate sincerely held religious beliefs of the parents  
10 or legal guardians or (ii) the requirements for approval and  
11 accreditation required by law and the rules and regulations adopted  
12 and promulgated by the State Board of Education interfere with  
13 the decisions of the parents or legal guardians in directing ~~their~~  
14 ~~child's~~ the student's education, (b) an authorized representative  
15 of such parents or legal guardians will at least annually submit  
16 to the Commissioner of Education the information necessary to  
17 prove that the requirements of subdivisions (4)(a) through (c)  
18 of this section are satisfied, (c) the school offers the courses  
19 of instruction required by subsections (2), (3), and (4) of this  
20 section, and (d) the parents or legal guardians have satisfied  
21 themselves that individuals monitoring instruction at such school  
22 are qualified to monitor instruction in the basic skills as  
23 required by subsections (2), (3), and (4) of this section and  
24 that such individuals have demonstrated an alternative competency  
25 to monitor instruction or supervise ~~children~~ students pursuant to  
26 subsections (3) through (6) of this section.

27 (4) Each such private, denominational, or parochial

1 school shall (a) meet minimum requirements relating to health,  
2 fire, and safety standards prescribed by state law and the rules  
3 and regulations of the State Fire Marshal, (b) report attendance  
4 pursuant to section 79-201, (c) maintain a sequential program  
5 of instruction designed to lead to basic skills in the language  
6 arts, mathematics, science, social studies, and health, and (d)  
7 comply with the immunization requirements in section 79-217 if  
8 the statement signed by the parents or legal guardians indicate  
9 a nonreligious reason pursuant to subdivision (3)(a)(ii) of this  
10 section for the student attending a private, denominational, or  
11 parochial school which elects not to meet state accreditation  
12 or approval requirements. The State Board of Education shall  
13 establish procedures for receiving information and reports required  
14 by subsections (3) through (6) of this section from authorized  
15 parent representatives who may act as agents for parents or legal  
16 guardians of students attending such school and for individuals  
17 monitoring instruction in the basic skills required by subsections  
18 (2), (3), and (4) of this section.

19 (5) Individuals employed or utilized by schools which  
20 elect not to meet state accreditation or approval requirements  
21 shall not be required to meet the certification requirements  
22 prescribed in sections 79-801 to 79-815 but shall either (a) take  
23 appropriate subject matter components of a nationally recognized  
24 teacher competency examination designated by the State Board of  
25 Education as (i) including the appropriate subject matter areas for  
26 purposes of satisfying the requirements of subsections (3) and (4)  
27 of this section and (ii) a nationally recognized examination or (b)

1 offer evidence of competence to provide instruction in the basic  
2 skills required by subsections (3) and (4) of this section pursuant  
3 to informal methods of evaluation which shall be developed by the  
4 State Board of Education. Such evidence may include educational  
5 transcripts, diplomas, and other information regarding the formal  
6 educational background of such individuals. Information concerning  
7 test results, transcripts, diplomas, and other evidence of formal  
8 education may be transmitted to the State Department of Education  
9 by authorized representatives of parents or legal guardians. The  
10 results of such testing or alternative evaluation of individuals  
11 who monitor the instruction of students attending such schools may  
12 be used as evidence of whether or not such schools are offering  
13 adequate instruction in the basic skills prescribed in subsections  
14 (2), (3), and (4) of this section but shall not be used to prohibit  
15 any such school from employing such individuals. Failure of a  
16 monitor, who is tested for the purpose of satisfying in whole or  
17 in part the requirements of subsections (3) through (6) of this  
18 section, to attain a score equal to or exceeding both the state  
19 or national average score or rating on appropriate subject matter  
20 components of recognized teacher competency examinations designated  
21 by the State Board of Education may be by itself sufficient proof  
22 that such school does not offer adequate instruction in the basic  
23 skills prescribed in subsections (3) and (4) of this section.

24 (6) The demonstration of competency to monitor  
25 instruction in a private, denominational, or parochial school  
26 which has elected not to meet state accreditation or approval  
27 requirements shall in no way constitute or be construed to grant a

1 license, permit, or certificate to teach in the State of Nebraska.  
2 Any school which elects not to meet state accreditation or approval  
3 requirements and does not meet the requirements of subsections  
4 (2) through (6) of this section shall not be deemed a school for  
5 purposes of section 79-201, and the parents or legal guardians of  
6 any ~~children~~ students attending such school shall be subject to  
7 prosecution pursuant to such section or any statutes relating to  
8 habitual truancy.

9           Sec. 50. Section 79-1606, Reissue Revised Statutes of  
10 Nebraska, is amended to read:

11           79-1606 In case any private, denominational, or parochial  
12 school, after a final determination by the proper authorities under  
13 sections 79-1601 to 79-1607, fails, refuses, or neglects to conform  
14 to and comply with such sections, no person shall be granted  
15 or allowed a certificate to teach in such school and the ~~pupils~~  
16 students attending such school shall be required to attend the  
17 public school of the proper district as provided by law in like  
18 manner as though there were no such private, denominational, or  
19 parochial school. Full credit for certification under the law shall  
20 be given all teachers who have taught in private, denominational,  
21 or parochial schools the same as though they had taught in public  
22 schools.

23           Sec. 51. Section 85-607, Reissue Revised Statutes of  
24 Nebraska, is amended to read:

25           85-607 No publicly funded college or university in this  
26 state shall prohibit the admission of any ~~child~~ student educated in  
27 any school which elects to meet the requirements of subsections (2)

1 through (6) of section 79-1601 if the ~~child~~ student is qualified  
2 for admission as shown by testing results.

3           Sec. 52. Original sections 13-518, 43-2007, 60-658,  
4 79-234, 79-239, 79-240, 79-2,104, 79-2,105, 79-304, 79-305,  
5 79-306, 79-310, 79-313, 79-317, 79-318, 79-319, 79-528, 79-569,  
6 79-598, 79-606, 79-608, 79-611, 79-1003, 79-1007.06, 79-1007.08,  
7 79-1007.16, 79-1007.20, 79-1007.21, 79-1014, 79-1065.01, 79-1084,  
8 79-1086, 79-10,110, 79-1102.01, 79-1110, 79-1127, 79-1148, 79-1149,  
9 79-1150, 79-1161, 79-1204, 79-1212, 79-1241.01, 79-1241.03,  
10 79-1601, 79-1606, and 85-607, Reissue Revised Statutes of Nebraska,  
11 and sections 79-233, 79-237, 79-238, and 79-1007.22, Reissue  
12 Revised Statutes of Nebraska, as amended by sections 1, 2, 3,  
13 and 4, respectively, Legislative Bill 62, One Hundred First  
14 Legislature, First Session, 2009, are repealed.

15           Sec. 53. The following sections are outright repealed:  
16 Sections 48-1301, 48-1302, 48-1303, 48-1304, 48-1305, 48-1306,  
17 48-1309, 79-1168, 79-1169, 79-1170, 79-1171, 79-1172, 79-1173,  
18 79-1174, 79-1175, 79-1176, 79-1177, 79-1178, 79-11,136, 79-11,137,  
19 79-11,138, 79-11,139, 79-11,140, 79-11,141, and 79-1241, Reissue  
20 Revised Statutes of Nebraska.