

LEGISLATURE OF NEBRASKA

ONE HUNDRED SECOND LEGISLATURE

SECOND SESSION

LEGISLATIVE BILL 778

Introduced by Coash, 27.

Read first time January 04, 2012

Committee: Education

A BILL

1 FOR AN ACT relating to the Excellence in Teaching Act; to amend
2 sections 9-812, 79-8,133, 79-8,137.01, and 79-8,137.05,
3 Revised Statutes Supplement, 2011; to change provisions
4 relating to loan eligibility; to harmonize provisions; to
5 repeal the original sections; and to declare an
6 emergency.

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

1 Section 1. Section 9-812, Revised Statutes Supplement,
2 2011, is amended to read:

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

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

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

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

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

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

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

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

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

13 (f) One percent of the money remaining after the payment
14 of prizes and operating expenses and the initial transfer to the
15 Compulsive Gamblers Assistance Fund shall be transferred to the
16 Compulsive Gamblers Assistance Fund to be used as provided in section
17 71-817.

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

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

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

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

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

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

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

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

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

17 (f) For fiscal years 2014-15 and 2015-16, the Education
18 Innovation Fund shall be allocated as follows: (i) The first one
19 million dollars shall be transferred to the Excellence in Teaching
20 Cash Fund to fund the Excellence in Teaching Act; (ii) the next
21 allocation shall be distributed to local systems as grants for
22 approved accelerated or differentiated curriculum programs for
23 students identified as learners with high ability pursuant to section
24 79-1108.02 in an aggregated amount up to the amount distributed in
25 the prior fiscal year for such purposes increased by the basic

1 allowable growth rate pursuant to section 79-1025; (iii) the next
2 allocation shall be used by the State Department of Education for the
3 integrated early childhood, elementary, secondary, and postsecondary
4 student information system in an aggregated amount up to the amount
5 used in the prior fiscal year for such purposes increased by the
6 basic allowable growth rate pursuant to section 79-1025; (iv) the
7 next allocation shall fund the Center for Student Leadership and
8 Extended Learning Act in an aggregated amount up to the amount used
9 in the prior fiscal year for such purposes increased by the basic
10 allowable growth rate pursuant to section 79-1025; (v) the next
11 allocation shall be used by the department to fund the multicultural
12 education program created under section 79-720 in an aggregated
13 amount up to the amount used in the prior fiscal year for such
14 purposes increased by the basic allowable growth rate pursuant to
15 section 79-1025; (vi) the next allocation shall be used by the
16 department to employ persons to investigate and prosecute alleged
17 violations as provided in section 79-868 in an aggregated amount up
18 to the amount used in the prior fiscal year for such purposes
19 increased by the basic allowable growth rate pursuant to section
20 79-1025; and (vii) the amount remaining shall be allocated, after
21 administrative expenses, for distance education equipment and
22 incentives pursuant to sections 79-1336 and 79-1337.

23 (g) For fiscal year 2016-17 and each fiscal year
24 thereafter, the Education Innovation Fund shall be allocated, after
25 administrative expenses, for education purposes as provided by the

1 Legislature.

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

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

12 Sec. 2. Section 79-8,133, Revised Statutes Supplement,
13 2011, is amended to read:

14 79-8,133 The Attracting Excellence to Teaching Program is
15 created. For purposes of the Attracting Excellence to Teaching
16 Program:

17 (1) Department means the State Department of Education;

18 (2) Eligible institution means a not-for-profit college
19 or university which (a) is located in Nebraska, (b) is accredited by
20 the North Central Association of Colleges and Schools, (c) has a
21 teacher education program, and (d) if a privately funded college or
22 university, has not opted out of the program pursuant to rules and
23 regulations;

24 (3) Eligible student means an individual who (a) is a
25 full-time student, (b) is enrolled in an eligible institution in an

1 undergraduate or a graduate teacher education program working toward
2 his or her initial certificate to teach in Nebraska, (c) if enrolled
3 at a state-funded eligible institution, is a resident student as
4 described in section 85-502 or, if enrolled in a privately funded
5 eligible institution, would be deemed a resident student if enrolled
6 in a state-funded eligible institution, (d) for applicants applying
7 for the first time on or after April 23, 2009, is a student majoring
8 in a shortage area, and (e) for applicants applying to receive a loan
9 during fiscal year 2011-12, ~~or 2012-13,~~ is a student who previously
10 received a loan pursuant to the Attracting Excellence to Teaching
11 Program in the fiscal year immediately preceding the fiscal year in
12 which the new loan would be received;

13 (4) Full-time student means, in the aggregate, the
14 equivalent of a student who in a twelve-month period is enrolled in
15 twenty-four semester credit hours for undergraduate students or
16 eighteen semester credit hours for graduate students of classroom,
17 laboratory, clinical, practicum, or independent study course work;

18 (5) Majoring in a shortage area means pursuing a degree
19 which will allow an individual to be properly endorsed to teach in a
20 shortage area;

21 (6) Shortage area means a secular field of teaching for
22 which there is a shortage, as determined by the department, of
23 properly endorsed teachers at the time the borrower first receives
24 funds pursuant to the program; and

25 (7) Teacher education program means a program of study

1 approved by the State Board of Education pursuant to subdivision (5)
2 (g) of section 79-318.

3 Sec. 3. Section 79-8,137.01, Revised Statutes Supplement,
4 2011, is amended to read:

5 79-8,137.01 The Enhancing Excellence in Teaching Program
6 is created. For purposes of the Enhancing Excellence in Teaching
7 Program:

8 (1) Department means the State Department of Education;

9 (2) Eligible graduate program means a program of study
10 offered by an eligible institution which results in obtaining a
11 graduate degree;

12 (3) Eligible institution means a not-for-profit college
13 or university which (a) is located in Nebraska, (b) is accredited by
14 the North Central Association of Colleges and Schools, (c) has a
15 teacher education program, and (d) if a privately funded college or
16 university, has not opted out of the Enhancing Excellence in Teaching
17 Program pursuant to rules and regulations;

18 (4) Eligible student means an individual who (a) is a
19 certificated teacher employed to teach in an approved or accredited
20 school in Nebraska, (b) is enrolled in an eligible graduate program,
21 (c) if enrolled at a state-funded eligible institution, is a resident
22 student as described in section 85-502 or, if enrolled in a privately
23 funded eligible institution, would be deemed a resident student if
24 enrolled in a state-funded eligible institution, (d) is majoring in a
25 shortage area, curriculum and instruction, a subject area in which

1 the individual already holds a secular teaching endorsement, or a
2 subject area that will result in an additional secular teaching
3 endorsement which the superintendent of the school district or head
4 administrator of the private, denominational, or parochial school
5 employing the individual believes will be beneficial to the students
6 of such school district or school as evidenced by a statement signed
7 by the superintendent or head administrator, and (e) is applying for
8 a loan pursuant to the Enhancing Excellence in Teaching Program to be
9 received at a time other than during fiscal year 2011-12; ~~or 2012-13;~~

10 (5) Majoring in a shortage area or subject area means
11 pursuing a degree which will allow an individual to be properly
12 endorsed to teach in such shortage area or subject area; and

13 (6) Shortage area means a secular field of teaching for
14 which there is a shortage, as determined by the department, of
15 properly endorsed teachers at the time the borrower first receives
16 funds pursuant to the Enhancing Excellence in Teaching Program.

17 Sec. 4. Section 79-8,137.05, Revised Statutes Supplement,
18 2011, is amended to read:

19 79-8,137.05 (1) The Excellence in Teaching Cash Fund is
20 created. The fund shall consist of appropriations by the Legislature,
21 transfers pursuant to section 9-812, and loan repayments, penalties,
22 and interest payments received in the course of administering the
23 Attracting Excellence to Teaching Program and the Enhancing
24 Excellence in Teaching Program.

25 (2) For all fiscal years except fiscal years ~~2011-12 and~~

1 ~~2012-13, year 2011-12,~~ the department shall allocate on an annual
2 basis up to four hundred thousand dollars in the aggregate of the
3 funds to be distributed for the Attracting Excellence to Teaching
4 Program to all eligible institutions according to the distribution
5 formula as determined by rule and regulation. The eligible
6 institutions shall act as agents of the department in the
7 distribution of the funds for the Attracting Excellence to Teaching
8 Program to eligible students. The remaining available funds shall be
9 distributed by the department to eligible students for the Enhancing
10 Excellence in Teaching Program.

11 (3) For fiscal ~~years 2011-12 and 2012-13,~~ year 2011-12,
12 the department shall allocate on an annual basis funds to be
13 distributed for the Attracting Excellence to Teaching Program to all
14 eligible institutions receiving applications from eligible students
15 for loans to be received during such fiscal ~~years.~~ year. The
16 distribution for ~~each of fiscal years 2011-12 and 2012-13~~ year
17 2011-12 shall be proportional based on the amounts applied for by
18 eligible students at each institution, except that no more than one
19 hundred percent of such amounts shall be distributed. The eligible
20 institutions shall act as agents of the department in the
21 distribution of the funds for the Attracting Excellence to Teaching
22 Program to eligible students.

23 (4) Any money in the fund available for investment shall
24 be invested by the state investment officer pursuant to the Nebraska
25 Capital Expansion Act and the Nebraska State Funds Investment Act.

1 Sec. 5. Original sections 9-812, 79-8,133, 79-8,137.01,
2 and 79-8,137.05, Revised Statutes Supplement, 2011, are repealed.

3 Sec. 6. Since an emergency exists, this act takes effect
4 when passed and approved according to law.