

LEGISLATURE OF NEBRASKA  
ONE HUNDRED THIRD LEGISLATURE  
FIRST SESSION  
**LEGISLATIVE BILL 366**  
Final Reading

Introduced by Cook, 13.

Read first time January 18, 2013

Committee: Education

A BILL

1 FOR AN ACT relating to education; to amend section 9-812, Reissue  
2 Revised Statutes of Nebraska; to adopt the Diploma of  
3 High School Equivalency Assistance Act; to eliminate  
4 obsolete provisions and provide an additional use of the  
5 Education Innovation Fund; to harmonize provisions; to  
6 repeal the original section; and to declare an emergency.  
7 Be it enacted by the people of the State of Nebraska,

1           Section 1. Sections 1 to 7 of this act shall be known and  
2 may be cited as the Diploma of High School Equivalency Assistance  
3 Act.

4           Sec. 2. The purpose of the Diploma of High School  
5 Equivalency Assistance Act is to provide assistance to institutions  
6 which offer high school equivalency programs in order to defray the  
7 costs associated with participation in such programs.

8           Sec. 3. For purposes of the Diploma of High School  
9 Equivalency Assistance Act:

10           (1) Fiscal year means a time period commencing on July 1  
11 and ending on June 30 of the following year;

12           (2) High school equivalency program means a program which  
13 is offered by an institution and provides participants with training  
14 and examinations for a diploma of high school equivalency; and

15           (3) Institution means a state agency, a school district  
16 as defined in section 79-101, or a community college area as defined  
17 in section 85-1503.

18           Sec. 4. (1) It is the intent of the Legislature to  
19 appropriate seven hundred fifty thousand dollars from the General  
20 Fund for fiscal years 2013-14 and 2014-15, and any amount determined  
21 by the Legislature for any fiscal year thereafter, to the State  
22 Department of Education. Such funds shall be used by the department  
23 to provide assistance to institutions that offer high school  
24 equivalency programs. Assistance shall be provided based on  
25 participation in an institution's high school equivalency program as

1 follows:

2 (a) Each such institution shall receive one assistance  
3 payment for each participant who enrolled in its high school  
4 equivalency program in the most recently completed fiscal year;

5 (b) Each such institution shall receive one assistance  
6 payment for each enrolled participant who took an initial examination  
7 for a diploma of high school equivalency in the most recently  
8 completed fiscal year; and

9 (c) Each such institution shall receive one assistance  
10 payment for each participant not enrolled in the institution's high  
11 school equivalency program who took the examination for a diploma of  
12 high school equivalency in the most recently completed fiscal year.

13 (2) An institution shall receive no additional assistance  
14 for any participant who failed his or her initial examination for a  
15 diploma of high school equivalency and requires additional training  
16 and testing.

17 Sec. 5. Each institution receiving assistance pursuant to  
18 section 4 of this act shall report annually to the State Department  
19 of Education. The report shall give a description of the operation of  
20 the high school equivalency program for which assistance was provided  
21 and shall include information on the following for the most recently  
22 completed fiscal year:

23 (1) The number of diplomas of high school equivalency  
24 awarded pursuant to such high school equivalency program;

25 (2) The number of participants in the high school

1 equivalency program who moved successfully through the continuum of  
2 literacy skill levels offered by the program;

3 (3) The number of participants completing the high school  
4 equivalency program who secured entry-level career path employment;

5 (4) The number of participants completing the high school  
6 equivalency program who went on to postsecondary education or  
7 additional career training; and

8 (5) The number of participants in the high school  
9 equivalency program who were Nebraska residents or enrolled in a  
10 postsecondary educational institution located in Nebraska.

11 Sec. 6. Using the funds allocated from the Education  
12 Innovation Fund pursuant to subdivision (4)(c)(ix) of section 9-812,  
13 the State Department of Education shall provide each institution  
14 offering a high school equivalency program a one-time payment for the  
15 acquisition and upgrade of equipment and software necessary to  
16 administer examinations for diplomas of high school equivalency.

17 Sec. 7. The State Department of Education may adopt and  
18 promulgate rules and regulations to carry out the Diploma of High  
19 School Equivalency Assistance Act. Such rules and regulations shall  
20 include, but not be limited to, provisions related to the collection  
21 of information necessary to provide the assistance provided for in  
22 section 4 of this act.

23 Sec. 8. Section 9-812, Reissue Revised Statutes of  
24 Nebraska, is amended to read:

25 9-812 (1) All money received from the operation of

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

14 (2) Beginning October 1, 2003, a portion of the dollar  
15 amount of the lottery tickets which have been sold on an annualized  
16 basis shall be transferred from the State Lottery Operation Trust  
17 Fund to the Education Innovation Fund, the Nebraska Opportunity Grant  
18 Fund, the Nebraska Environmental Trust Fund, the Nebraska State Fair  
19 Board, and the Compulsive Gamblers Assistance Fund. The dollar amount  
20 transferred pursuant to this subsection shall equal the greater of  
21 (a) the dollar amount transferred to the funds in fiscal year 2002-03  
22 or (b) any amount which constitutes at least twenty-two percent and  
23 no more than twenty-five percent of the dollar amount of the lottery  
24 tickets which have been sold on an annualized basis. To the extent  
25 that funds are available, the Tax Commissioner and director may

1 authorize a transfer exceeding twenty-five percent of the dollar  
2 amount of the lottery tickets sold on an annualized basis.

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

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

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

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

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

23 (e) Ten percent of the money remaining after the payment  
24 of prizes and operating expenses and the initial transfer to the  
25 Compulsive Gamblers Assistance Fund shall be transferred to the

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

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

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

18 ~~(b) For fiscal year 2010-11, the Education Innovation~~  
19 ~~Fund shall be allocated as follows: The first one million dollars~~  
20 ~~shall be transferred to the Excellence in Teaching Cash Fund to fund~~  
21 ~~the Excellence in Teaching Act, and the amount remaining in the~~  
22 ~~Education Innovation Fund shall be allocated, after administrative~~  
23 ~~expenses, for distance education equipment and incentives pursuant to~~  
24 ~~sections 79-1336 and 79-1337.~~

25 ~~(c) For fiscal year 2011-12, the Education Innovation~~

1 ~~Fund shall be allocated as follows: (i) The first two hundred twenty-~~  
2 ~~five thousand dollars shall be transferred to the Excellence in~~  
3 ~~Teaching Cash Fund to fund the Attracting Excellence to Teaching~~  
4 ~~Program; (ii) the next three million three hundred sixty five~~  
5 ~~thousand nine hundred sixty two dollars shall be distributed to~~  
6 ~~school districts as grants pursuant to the Early Childhood Education~~  
7 ~~Grant Program; (iii) the next two million one hundred seventy five~~  
8 ~~thousand six hundred seventy three dollars shall be distributed to~~  
9 ~~local systems as grants for approved accelerated or differentiated~~  
10 ~~curriculum programs for students identified as learners with high~~  
11 ~~ability pursuant to section 79-1108.02; (iv) the next four hundred~~  
12 ~~ninety one thousand five hundred forty one dollars shall be used by~~  
13 ~~the State Department of Education for the development of an~~  
14 ~~integrated early childhood, elementary, secondary, and postsecondary~~  
15 ~~student information system; (v) the next four hundred fifty thousand~~  
16 ~~dollars shall fund the Center for Student Leadership and Extended~~  
17 ~~Learning Act; (vi) the next one hundred fourteen thousand six hundred~~  
18 ~~twenty nine dollars shall fund the multicultural education program~~  
19 ~~created under section 79-720; (vii) the next one hundred twenty three~~  
20 ~~thousand four hundred sixty eight dollars shall be used by the~~  
21 ~~department to employ persons to investigate and prosecute alleged~~  
22 ~~violations as provided in section 79-868; (viii) up to the next one~~  
23 ~~hundred sixty thousand dollars shall be used by the department to~~  
24 ~~implement section 79-759; and (ix) the amount remaining shall be~~  
25 ~~allocated, after administrative expenses, for distance education~~

1 ~~equipment and incentives pursuant to sections 79-1336 and 79-1337.~~

2           ~~(d)~~(b) For fiscal year 2012-13, the Education Innovation  
3 Fund shall be allocated as follows: (i) The first forty-five thousand  
4 dollars shall be transferred to the Excellence in Teaching Cash Fund  
5 to fund the Attracting Excellence to Teaching Program; (ii) the next  
6 three million three hundred sixty-five thousand nine hundred sixty-  
7 two dollars shall be distributed to school districts as grants  
8 pursuant to the Early Childhood Education Grant Program; (iii) the  
9 next two million one hundred seventy-five thousand six hundred  
10 seventy-three dollars shall be distributed to local systems as grants  
11 for approved accelerated or differentiated curriculum programs for  
12 students identified as learners with high ability pursuant to section  
13 79-1108.02; (iv) the next one hundred eight thousand one hundred  
14 thirty-six dollars shall be used by the department for the  
15 development of an integrated early childhood, elementary, secondary,  
16 and postsecondary student information system; (v) the next four  
17 hundred fifty thousand dollars shall fund the Center for Student  
18 Leadership and Extended Learning Act; (vi) the next one hundred  
19 fourteen thousand six hundred twenty-nine dollars shall be used by  
20 the department to fund the multicultural education program created  
21 under section 79-720; (vii) the next one hundred twenty-three  
22 thousand four hundred sixty-eight dollars shall be used by the  
23 department to employ persons to investigate and prosecute alleged  
24 violations as provided in section 79-868; (viii) up to the next one  
25 hundred sixty thousand dollars shall be used by the department to

1 implement section 79-759; (ix) the next twenty-seven thousand two  
2 hundred dollars shall be used to fund the Interstate Compact on  
3 Educational Opportunity for Military Children; (x) the next two  
4 hundred thousand dollars shall be used to provide grants to establish  
5 bridge programs pursuant to sections 79-1189 to 79-1195; and (xi) the  
6 amount remaining shall be allocated, after administrative expenses,  
7 for distance education equipment and incentives pursuant to sections  
8 79-1336 and 79-1337.

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

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

21 ~~(f)~~ (d) For fiscal year 2014-15, the Education Innovation  
22 Fund shall be allocated as follows: (i) The first one million dollars  
23 shall be transferred to the Excellence in Teaching Cash Fund to fund  
24 the Excellence in Teaching Act; (ii) the next allocation shall be  
25 distributed to local systems as grants for approved accelerated or

1 differentiated curriculum programs for students identified as  
2 learners with high ability pursuant to section 79-1108.02 in an  
3 aggregated amount up to the amount distributed in the prior fiscal  
4 year for such purposes increased by the basic allowable growth rate  
5 pursuant to section 79-1025; (iii) the next allocation shall be used  
6 by the State Department of Education for the integrated early  
7 childhood, elementary, secondary, and postsecondary student  
8 information system in an aggregated amount up to the amount used in  
9 the prior fiscal year for such purposes increased by the basic  
10 allowable growth rate pursuant to section 79-1025; (iv) the next  
11 allocation shall fund the Center for Student Leadership and Extended  
12 Learning Act in an aggregated amount up to the amount used in the  
13 prior fiscal year for such purposes increased by the basic allowable  
14 growth rate pursuant to section 79-1025; (v) the next allocation  
15 shall be used by the department to fund the multicultural education  
16 program created under section 79-720 in an aggregated amount up to  
17 the amount used in the prior fiscal year for such purposes increased  
18 by the basic allowable growth rate pursuant to section 79-1025; (vi)  
19 the next allocation shall be used by the department to employ persons  
20 to investigate and prosecute alleged violations as provided in  
21 section 79-868 in an aggregated amount up to the amount used in the  
22 prior fiscal year for such purposes increased by the basic allowable  
23 growth rate pursuant to section 79-1025; (vii) the next two hundred  
24 thousand dollars shall be used to provide grants to establish bridge  
25 programs pursuant to sections 79-1189 to 79-1195; and (viii) the

1 amount remaining shall be allocated, after administrative expenses,  
2 for distance education equipment and incentives pursuant to sections  
3 79-1336 and 79-1337.

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

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

10 ~~(h)~~—(f) For fiscal year 2016-17 and each fiscal year  
11 thereafter, the Education Innovation Fund shall be allocated, after  
12 administrative expenses, for education purposes as provided by the  
13 Legislature.

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

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

24 Sec. 9. Original section 9-812, Reissue Revised Statutes  
25 of Nebraska, is repealed.

1                   Sec. 10. Since an emergency exists, this act takes effect  
2 when passed and approved according to law.