

LEGISLATURE OF NEBRASKA
ONE HUNDRED FOURTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 525

FINAL READING

Introduced by Sullivan, 41.

Read first time January 21, 2015

Committee: Education

1 A BILL FOR AN ACT relating to education; to amend sections 79-101,
2 79-215, 79-2,144, 79-301, 79-308, 79-309.01, 79-318, 79-420,
3 79-760.01, 79-760.02, 79-760.06, 79-761, 79-8,137, 79-8,137.04,
4 79-1003, 79-1003.01, 79-1007.06, 79-1007.07, 79-1013, 79-1018.01,
5 79-1028.01, 79-1035, 79-1205, 79-1315, 79-2110, 79-2113, 79-2115,
6 79-2120, 79-2204, 79-2205, 85-2102, and 85-2104, Reissue Revised
7 Statutes of Nebraska, and section 71-1962, Revised Statutes
8 Cumulative Supplement, 2014; to change provisions relating to the
9 Nebraska Early Childhood Professional Record System, state aid for
10 school districts, admission of homeless students, duties of the
11 state school security director, deputy commissioners of education,
12 duties of the State Board of Education, reorganization of school
13 districts, academic content standards, the statewide assessment and
14 reporting system, the mentor teacher program, the Attracting
15 Excellence to Teaching Program, the Enhancing Excellence in Teaching
16 Program, adjustment of educational service unit boundaries, the
17 Nebraska Educational Telecommunications Commission, learning
18 communities, the State Council on Educational Opportunity for
19 Military Children, and the Access to College Early Scholarship
20 Program Act; to provide requirements for free or reduced-price
21 lunches; to provide for an educator-effectiveness system; to define
22 and redefine terms; to eliminate provisions relating to school lands

- 1 and annual school meetings as prescribed; to harmonize provisions;
- 2 and to repeal the original sections.
- 3 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 71-1962, Revised Statutes Cumulative Supplement,
2 2014, is amended to read:

3 71-1962 (1) Not later than March 1, 2014, the State Department of
4 Education shall create and operate the Nebraska Early Childhood
5 Professional Record System. The system shall be designed in order to:

6 (a) Establish a data base of Nebraska's early childhood education
7 workforce;

8 (b) Verify educational degrees and professional credentials held and
9 relevant training completed by employees of participating applicable
10 child care and early childhood education programs; and

11 (c) Provide such information to the Department of Health and Human
12 Services for use in evaluating applications to be rated at a step above
13 step one under section 71-1959.

14 (2) When an applicable child care or early childhood education
15 program participating in the quality rating and improvement system
16 developed pursuant to section 71-1955 applies under section 71-1959 to be
17 rated at a step above step one, the child care or early childhood
18 education program shall report the educational degrees and professional
19 credentials held and relevant training completed by its child care and
20 early childhood education employees to the Nebraska Early Childhood
21 Professional Record System for the program to be eligible for a quality
22 scale rating above step one.

23 (3) Any child care or early childhood education provider residing or
24 working in Nebraska may report his or her educational degrees and
25 professional credentials held, relevant training completed, and work
26 history to the Nebraska Early Childhood Professional Record System.

27 Sec. 2. Section 79-101, Reissue Revised Statutes of Nebraska, is
28 amended to read:

29 79-101 For purposes of Chapter 79:

30 (1) School district means the territory under the jurisdiction of a
31 single school board authorized by Chapter 79;

1 (2) School means a school under the jurisdiction of a school board
2 authorized by Chapter 79;

3 (3) Legal voter means a registered voter as defined in section
4 32-115 who is domiciled in a precinct or ward in which he or she is
5 registered to vote and which precinct or ward lies in whole or in part
6 within the boundaries of a school district for which the registered voter
7 chooses to exercise his or her right to vote at a school district
8 election or at an annual or special meeting of a Class I school district;

9 (4) Prekindergarten programs means all early childhood programs
10 provided for children who have not reached the age of five by the date
11 provided in section 79-214 for kindergarten entrance;

12 (5) Elementary grades means grades kindergarten through eight,
13 inclusive;

14 (6) High school grades means all grades above the eighth grade;

15 (7) School year means (a) for elementary grades other than
16 kindergarten, the time equivalent to at least one thousand thirty-two
17 instructional hours and (b) for high school grades, the time equivalent
18 to at least one thousand eighty instructional hours;

19 (8) Instructional hour means a period of time, at least sixty
20 minutes, which is actually used for the instruction of students;

21 (9) Teacher means any certified employee who is regularly employed
22 for the instruction of pupils in the public schools;

23 (10) Administrator means any certified employee such as
24 superintendent, assistant superintendent, principal, assistant principal,
25 school nurse, or other supervisory or administrative personnel who do not
26 have as a primary duty the instruction of pupils in the public schools;

27 (11) School board means the governing body of any school district.
28 Board of education has the same meaning as school board;

29 (12) Teach means and includes, but is not limited to, the following
30 responsibilities: (a) The organization and management of the classroom or
31 the physical area in which the learning experiences of pupils take place;

1 (b) the assessment and diagnosis of the individual educational needs of
2 the pupils; (c) the planning, selecting, organizing, prescribing, and
3 directing of the learning experiences of pupils; (d) the planning of
4 teaching strategies and the selection of available materials and
5 equipment to be used; and (e) the evaluation and reporting of student
6 progress;

7 (13) Permanent school fund means the fund described in section
8 79-1035.01;

9 (14) Temporary school fund means the fund described in section
10 79-1035.02; ~~and~~

11 (15) School lands means the lands described in section 79-1035.03.
12 Educational lands has the same meaning as school lands; ~~-~~

13 (16) Community eligibility provision means the alternative to
14 household applications for free and reduced-price meals in high-poverty
15 schools enacted in section 104(a) of the federal Healthy, Hunger-Free
16 Kids Act of 2010, section 11(a)(1) of the Richard B. Russell National
17 School Lunch Act, 42 U.S.C. 1759a(a)(1), as such act and section existed
18 on January 1, 2015, and administered by the United States Department of
19 Agriculture; and

20 (17) Certificate, certificated, or certified, when referring to an
21 individual holding a certificate to teach, administer, or provide special
22 services, also includes an individual who holds a permit issued by the
23 Commissioner of Education pursuant to sections 79-806 to 79-815.

24 The State Board of Education may adopt and promulgate rules and
25 regulations to define school day and other appropriate units of the
26 school calendar.

27 Sec. 3. A parent or guardian of any student enrolled in, or in the
28 process of enrolling in, any school district in the state may voluntarily
29 provide information on any application submitted pursuant to Nebraska
30 law, rules, and regulations regarding the applicant's potential to meet
31 the qualifications for free or reduced-price lunches without regard to

1 whether the school the child attends, or will attend, is a school that
2 uses such information to qualify students for free or reduced-price meals
3 or a school that provides free meals to all students pursuant to the
4 community eligibility provision. Each school district shall process
5 information provided pursuant to this section for students who attend a
6 school that provides free meals to all students pursuant to the community
7 eligibility provision in the same manner to determine the qualification
8 status of the student as the information for students who attend school
9 in a school building that uses such information to qualify students for
10 free or reduced-price meals. Each school district shall comply with the
11 federal Family Educational Rights and Privacy Act of 1974, 20 U.S.C.
12 1232g, as such act and section existed on January 1, 2015, and
13 regulations adopted thereunder with regard to any information collected
14 pursuant to this section. If no such information is provided, the student
15 shall be presumed not to qualify for free or reduced-price lunches for
16 the purposes of the application.

17 Sec. 4. Section 79-215, Reissue Revised Statutes of Nebraska, is
18 amended to read:

19 79-215 (1) Except as otherwise provided in this section, a student
20 is a resident of the school district where he or she resides and shall be
21 admitted to any such school district upon request without charge.

22 (2) A school board shall admit a student upon request without charge
23 if at least one of the student's parents resides in the school district.

24 (3) A school board shall admit any homeless student upon request
25 without charge if the district is the district in which the student (a)
26 is currently located, (b) attended when permanently housed, or (c) was
27 last enrolled.

28 (4) A school board may allow a student whose residency in the
29 district ceases during a school year to continue attending school in such
30 district for the remainder of that school year.

31 (5) A school board may admit nonresident students to the school

1 district pursuant to a contract with the district where the student is a
2 resident and shall collect tuition pursuant to the contract.

3 (6) A school board may admit nonresident students to the school
4 district pursuant to the enrollment option program as authorized by
5 sections 79-232 to 79-246, and such admission shall be without charge.

6 (7) A school board of any school district that is a member of a
7 learning community shall admit nonresident students to the school
8 district pursuant to the open enrollment provisions of a diversity plan
9 in a learning community as authorized by section 79-2110, and such
10 admission shall be without charge.

11 (8) A school board may admit a student who is a resident of another
12 state to the school district and collect tuition in advance at a rate
13 determined by the school board.

14 (9) When a student as a ward of the state or as a ward of any court
15 (a) has been placed in a school district other than the district in which
16 he or she resided at the time he or she became a ward and such ward does
17 not reside in a foster family home licensed or approved by the Department
18 of Health and Human Services or a foster home maintained or used pursuant
19 to section 83-108.04 or (b) has been placed in any institution which
20 maintains a special education program which has been approved by the
21 State Department of Education and such institution is not owned or
22 operated by the district in which he or she resided at the time he or she
23 became a ward, the cost of his or her education and the required
24 transportation costs associated with the student's education shall be
25 paid by the state, but not in advance, to the receiving school district
26 or approved institution under rules and regulations prescribed by the
27 Department of Health and Human Services and the student shall remain a
28 resident of the district in which he or she resided at the time he or she
29 became a ward. Any student who is a ward of the state or a ward of any
30 court who resides in a foster family home licensed or approved by the
31 Department of Health and Human Services or a foster home maintained or

1 used pursuant to section 83-108.04 shall be deemed a resident of the
2 district in which he or she resided at the time he or she became a foster
3 child, unless it is determined under section 43-1311 or 43-1312 that he
4 or she will not attend such district in which case he or she shall be
5 deemed a resident of the district in which the foster family home or
6 foster home is located.

7 (10)(a) When a student is not a ward of the state or a ward of any
8 court and is residing in a residential setting located in Nebraska for
9 reasons other than to receive an education and the residential setting is
10 operated by a service provider which is certified or licensed by the
11 Department of Health and Human Services or is enrolled in the medical
12 assistance program established pursuant to the Medical Assistance Act and
13 Title XIX or XXI of the federal Social Security Act, as amended, the
14 student shall remain a resident of the district in which he or she
15 resided immediately prior to residing in such residential setting. The
16 resident district for a student who is not a ward of the state or a ward
17 of any court does not change when the student moves from one residential
18 setting to another.

19 (b) If a student is residing in a residential setting as described
20 in subdivision (10)(a) of this section and such residential setting does
21 not maintain an interim-program school as defined in section 79-1119.01
22 or an approved or accredited school, the resident school district shall
23 contract with the district in which such residential setting is located
24 for the provision of all educational services, including all special
25 education services and support services as defined in section 79-1125.01,
26 unless a parent or guardian and the resident school district agree that
27 an appropriate education will be provided by the resident school district
28 while the student is residing in such residential setting. If the
29 resident school district is required to contract, the district in which
30 such residential setting is located shall contract with the resident
31 district and provide all educational services, including all special

1 education services, to the student. If the two districts cannot agree on
2 the amount of the contract, the State Department of Education shall
3 determine the amount to be paid by the resident district to the district
4 in which such residential setting is located based on the needs of the
5 student, approved special education rates, the department's general
6 experience with special education budgets, and the cost per student in
7 the district in which such residential setting is located. Once the
8 contract has been entered into, all legal responsibility for special
9 education and related services shall be transferred to the school
10 district in which the residential setting is located.

11 (c) If a student is residing in a residential setting as described
12 in subdivision (10)(a) of this section and such residential setting
13 maintains an interim-program school as defined in section 79-1119.01 or
14 an approved or accredited school, the department shall reimburse such
15 residential setting for the provision of all educational services,
16 including all special education services and support services, with the
17 amount of payment for all educational services determined pursuant to the
18 average per pupil cost of the service agency as defined in section
19 79-1116. The resident school district shall retain responsibility for
20 such student's individualized education plan, if any. The educational
21 services may be provided through (i) such interim-program school or
22 approved or accredited school, (ii) a contract between the residential
23 setting and the school district in which such residential setting is
24 located, (iii) a contract between the residential setting and another
25 service agency as defined in section 79-1124, or (iv) a combination of
26 such educational service providers.

27 (d) If a school district pays a school district in which a
28 residential setting is located for educational services provided pursuant
29 to subdivision (10)(b) of this section and it is later determined that a
30 different school district was the resident school district for such
31 student at the time such educational services were provided, the school

1 district that was later determined to be the resident school district
2 shall reimburse the school district that initially paid for the
3 educational services one hundred ten percent of the amount paid.

4 (e) A student residing in a residential setting described in this
5 subsection shall be defined as a student with a handicap pursuant to
6 Article VII, section 11, of the Constitution of Nebraska, and as such the
7 state and any political subdivision may contract with institutions not
8 wholly owned or controlled by the state or any political subdivision to
9 provide the educational services to the student if such educational
10 services are nonsectarian in nature.

11 (11) In the case of any individual eighteen years of age or younger
12 who is a ward of the state or any court and who is placed in a county
13 detention home established under section 43-2,110, the cost of his or her
14 education shall be paid by the state, regardless of the district in which
15 he or she resided at the time he or she became a ward, to the agency or
16 institution which: (a) Is selected by the county board with jurisdiction
17 over such detention home; (b) has agreed or contracted with such county
18 board to provide educational services; and (c) has been approved by the
19 State Department of Education pursuant to rules and regulations
20 prescribed by the State Board of Education.

21 (12) No tuition shall be charged for students who may be by law
22 allowed to attend the school without charge.

23 (13) On a form prescribed by the State Department of Education, an
24 adult with legal or actual charge or control of a student shall provide
25 the name of the student, the name of the adult with legal or actual
26 charge or control of the student, the address where the student is
27 residing, and the telephone number and address where the adult may
28 generally be reached during the school day. If the student is homeless or
29 if the adult does not have a telephone number and address where he or she
30 may generally be reached during the school day, those parts of the form
31 may be left blank and a box may be marked acknowledging that these are

1 the reasons these parts of the form were left blank. The adult with legal
2 or actual charge or control of the student shall also sign the form.

3 (14) The department may adopt and promulgate rules and regulations
4 to carry out the department's responsibilities under this section.

5 Sec. 5. Section 79-2,144, Reissue Revised Statutes of Nebraska, is
6 amended to read:

7 79-2,144 The state school security director appointed pursuant to
8 section 79-2,143 shall be responsible for providing leadership and
9 support for safety and security for the public schools. Duties of the
10 director include, but are not limited to:

11 (1) Collecting safety and security plans, required pursuant to rules
12 and regulations of the State Department of Education relating to
13 accreditation of schools, and other school security information from each
14 school system in Nebraska. School districts shall provide the state
15 school security director with the safety and security plans of the school
16 district and any other security information requested by the director,
17 but any plans or information submitted by a school district may be
18 withheld by the department pursuant to subdivision (8) of section
19 84-712.05;

20 (2) Recommending minimum standards for school security on or before
21 January 1, 2016, to the State Board of Education;

22 (3) Conducting an assessment of the security of each public school
23 building, which assessment shall be completed by August 31, 2017;

24 (4) Identifying deficiencies in school security based on the minimum
25 standards adopted by the State Board of Education and making
26 recommendations to school boards for remedying such deficiencies;

27 (5) Establishing security awareness and preparedness tools and
28 training programs for public school staff;

29 (6) Establishing research-based model instructional programs for
30 staff, students, and parents to address the underlying causes for violent
31 attacks on schools;

1 (7) Overseeing suicide awareness and prevention training in public
2 schools pursuant to section 79-2,146;

3 (8) Establishing tornado preparedness standards which shall include,
4 but not be limited to, ensuring that every school conduct at least two
5 tornado drills per year;~~and~~

6 (9) Responding to inquiries and requests for assistance relating to
7 school security from private, denominational, and parochial schools;
8 and -

9 (10) Recommending curricular and extracurricular materials to assist
10 school districts in preventing and responding to cyberbullying and
11 digital citizenship issues.

12 Sec. 6. Section 79-301, Reissue Revised Statutes of Nebraska, is
13 amended to read:

14 79-301 (1) The State Department of Education provided for in Article
15 VII, section 2, of the Constitution of Nebraska shall consist of a State
16 Board of Education and a Commissioner of Education. The State Department
17 of Education shall have general supervision and administration of the
18 school system of the state and of such other activities as the
19 Legislature may direct.

20 (2) The State Board of Education, acting as a unit, shall be the
21 policy-forming, planning, and evaluative body for the state school
22 program. Except in the appointment of a Commissioner of Education, the
23 board shall deliberate and take action with the professional advice and
24 counsel of the Commissioner of Education.

25 (3) The Commissioner of Education shall be the executive officer of
26 the State Board of Education and the administrative head of the
27 professional, technical, and clerical staff of the State Department of
28 Education. The commissioner shall act under the authority of the State
29 Board of Education. The commissioner shall have the responsibility for
30 carrying out the requirements of law and of board policies, standards,
31 rules, and regulations and for providing the educational leadership and

1 services deemed necessary by the board for the proper conduct of the
2 state school program. In the event of vacancy in office or the absence or
3 incapacity of the Commissioner of Education, ~~a the~~ deputy commissioner
4 shall carry out any all the duties imposed by law upon the commissioner.

5 Sec. 7. Section 79-308, Reissue Revised Statutes of Nebraska, is
6 amended to read:

7 79-308 (1) The Commissioner of Education shall organize institutes
8 and conferences at such times and places as he or she deems practicable.
9 He or she shall, as far as practicable, attend such institutes and
10 conferences, provide proper instructors for the same, and in other ways
11 seek to improve the efficiency of teachers and advance the cause of
12 education in the state.

13 (2) The Legislature finds that (a) an educator-effectiveness system
14 includes a quality evaluation system with the primary goal of improving
15 instruction and learning in every school district and (b) school
16 districts have an opportunity to receive training on the quality
17 evaluation models.

18 (3) Beginning with the 2016-17 school year through the 2019-20
19 school year, school districts may apply to the State Department of
20 Education for grant funding for a period of up to two years to implement
21 an evaluation model for effective educators and to obtain the necessary
22 training for administrators and teachers for such model.

23 (4) The State Board of Education may adopt and promulgate rules and
24 regulations to carry out this section.

25 Sec. 8. Section 79-309.01, Reissue Revised Statutes of Nebraska, is
26 amended to read:

27 79-309.01 ~~(1)(a) Beginning in 2016, the Commissioner of Education~~
28 ~~shall annually collect data from each school district prior to February~~
29 ~~25 and determine whether at least seventy-five percent of the school~~
30 ~~districts have included a system for distributing apportionment funds~~
31 ~~attributable to income from solar or wind agreements on school lands for~~

1 ~~teacher performance pay within such districts' local collective-~~
2 ~~bargaining agreements for the ensuing school fiscal year.~~

3 ~~The (b)(i) If the seventy-five percent requirement has been met for~~
4 ~~the year, the Commissioner of Education shall use the separate accounting~~
5 ~~provided by the State Treasurer under subdivision (1)(b) of section~~
6 ~~79-1035 to determine the amount of the apportionment to each school~~
7 ~~district under section 79-1035 that is attributable to income from solar~~
8 ~~or wind agreements on school lands. This amount shall provide funds for~~
9 ~~the grants described in section 79-308 through the 2019-20 school year~~
10 ~~The commissioner shall notify each school district of such amount within~~
11 ~~five days after certification of the apportionment required pursuant to~~
12 ~~subsection (3) of section 79-1035. Each school district shall use the~~
13 ~~amount of apportionment funds specified in the notice provided by the~~
14 ~~commissioner for the purpose of teacher performance pay. Such amount~~
15 ~~shall be used as a supplement to the salary schedule as provided in local~~
16 ~~collective-bargaining agreements. For purposes of distribution of such~~
17 ~~funds only, the Legislature finds that teacher performance pay~~
18 ~~measurements, criteria, and payout amounts are mandatory topics of~~
19 ~~collective bargaining. If a school district has not included a system for~~
20 ~~distributing apportionment funds attributable to income from solar or~~
21 ~~wind agreements on school lands for teacher performance pay within its~~
22 ~~local collective-bargaining agreement, the amount of apportionment funds~~
23 ~~specified in the notice provided by the commissioner shall be returned to~~
24 ~~the State Treasurer within one month of receipt of such funds. The State~~
25 ~~Treasurer shall immediately credit any funds returned under this section~~
26 ~~to the temporary school fund. Any funds returned under this section shall~~
27 ~~be redistributed from the temporary school fund in the following year and~~
28 ~~shall no longer be designated as income attributable to solar or wind~~
29 ~~agreements on school lands.~~

30 ~~(ii) If the seventy-five percent requirement has not been met for~~
31 ~~the year, then subdivision (1)(b)(i) of this section shall not apply for~~

1 that year.

2 ~~(2) If the seventy five percent requirement has not been met in~~
3 ~~2016, 2017, or 2018, then this section shall not apply in 2019 or any~~
4 ~~year thereafter.~~

5 ~~(3) For purposes of this section, agreement ÷~~

6 ~~(a) Agreement means any lease, easement, covenant, or other such~~
7 ~~contractual arrangement. ÷ and~~

8 ~~(b) Teacher performance pay means a systematic process for measuring~~
9 ~~teachers' performance and linking the measurements to changes in teacher~~
10 ~~pay. Indicators of teacher performance may include improving professional~~
11 ~~skills and knowledge, classroom performance or instructional behavior,~~
12 ~~and instructional outcomes. Teacher performance pay may include~~
13 ~~predetermined bonus amounts and payout criteria.~~

14 Sec. 9. Section 79-318, Reissue Revised Statutes of Nebraska, is
15 amended to read:

16 79-318 The State Board of Education shall:

17 (1) Appoint and fix the compensation of the Commissioner of
18 Education;

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

23 (3) Upon recommendation of the commissioner, appoint and fix the
24 compensation of all new professional positions in the department,
25 including any deputy commissioners a deputy commissioner and all
26 professional employees of the board;

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

31 (5) Provide, through the commissioner and his or her professional

1 staff, enlightened professional leadership, guidance, and supervision of
2 the state school system, including educational service units. In order
3 that the commissioner and his or her staff may carry out their duties,
4 the board shall, through the commissioner: (a) Provide supervisory and
5 consultation services to the schools of the state; (b) issue materials
6 helpful in the development, maintenance, and improvement of educational
7 facilities and programs; (c) establish rules and regulations which govern
8 standards and procedures for the approval and legal operation of all
9 schools in the state and for the accreditation of all schools requesting
10 state accreditation. All public, private, denominational, or parochial
11 schools shall either comply with the accreditation or approval
12 requirements prescribed in this section and section 79-703 or, for those
13 schools which elect not to meet accreditation or approval requirements,
14 the requirements prescribed in subsections (2) through (6) of section
15 79-1601. Standards and procedures for approval and accreditation shall be
16 based upon the program of studies, guidance services, the number and
17 preparation of teachers in relation to the curriculum and enrollment,
18 instructional materials and equipment, science facilities and equipment,
19 library facilities and materials, and health and safety factors in
20 buildings and grounds. Rules and regulations which govern standards and
21 procedures for private, denominational, and parochial schools which
22 elect, pursuant to the procedures prescribed in subsections (2) through
23 (6) of section 79-1601, not to meet state accreditation or approval
24 requirements shall be as described in such section; (d) institute a
25 statewide system of testing to determine the degree of achievement and
26 accomplishment of all the students within the state's school systems if
27 it determines such testing would be advisable; (e) prescribe a uniform
28 system of records and accounting for keeping adequate educational and
29 financial records, for gathering and reporting necessary educational
30 data, and for evaluating educational progress; (f) cause to be published
31 laws, rules, and regulations governing the schools and the school lands

1 and funds with explanatory notes for the guidance of those charged with
2 the administration of the schools of the state; (g) approve teacher
3 education programs conducted in Nebraska postsecondary educational
4 institutions designed for the purpose of certificating teachers and
5 administrators; (h) approve certificated-employee evaluation policies and
6 procedures developed by school districts and educational service units;
7 and (i) approve general plans and adopt educational policies, standards,
8 rules, and regulations for carrying out the board's responsibilities and
9 those assigned to the State Department of Education by the Legislature;

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

25 (7) Prepare and distribute reports designed to acquaint school
26 district officers, teachers, and patrons of the schools with the
27 conditions and needs of the schools;

28 (8) Provide for consultation with professional educators and lay
29 leaders for the purpose of securing advice deemed necessary in the
30 formulation of policies and in the effectual discharge of its duties;

31 (9) Make studies, investigations, and reports and assemble

1 information as necessary for the formulation of policies, for making
2 plans, for evaluating the state school program, and for making essential
3 and adequate reports;

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

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

10 (12) With the advice of the Department of Motor Vehicles, adopt and
11 promulgate rules and regulations containing reasonable standards, not
12 inconsistent with existing statutes, governing: (a) The general design,
13 equipment, color, operation, and maintenance of any vehicle with a
14 manufacturer's rated seating capacity of eleven or more passengers used
15 for the transportation of public, private, denominational, or parochial
16 school students; and (b) the equipment, operation, and maintenance of any
17 vehicle with a capacity of ten or less passengers used for the
18 transportation of public, private, denominational, or parochial school
19 students, when such vehicles are owned, operated, or owned and operated
20 by any public, private, denominational, or parochial school or privately
21 owned or operated under contract with any such school in this state,
22 except for vehicles owned by individuals operating a school which elects
23 pursuant to section 79-1601 not to meet accreditation or approval
24 requirements. Similar rules and regulations shall be adopted and
25 promulgated for operators of such vehicles as provided in section 79-607;

26 (13) Accept, on behalf of the Nebraska Center for the Education of
27 Children who are Blind or Visually Impaired, devises of real property or
28 donations or bequests of other property, or both, if in its judgment any
29 such devise, donation, or bequest is for the best interest of the center
30 or the students receiving services from the center, or both, and irrigate
31 or otherwise improve any such real estate when in the board's judgment it

1 would be advisable to do so;

2 (14) Accept, in order to administer the Interstate Compact on
3 Educational Opportunity for Military Children, any devise, donation, or
4 bequest received by the State Department of Education pursuant to section
5 79-2206; and

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

15 None of the duties prescribed in this section shall prevent the
16 board from exercising such other duties as in its judgment may be
17 necessary for the proper and legal exercise of its obligations.

18 Sec. 10. Section 79-420, Reissue Revised Statutes of Nebraska, is
19 amended to read:

20 79-420 Within thirty days after the creation of a new school
21 district pursuant to sections 79-413 to 79-419, the State Committee for
22 the Reorganization of School Districts shall appoint from among the legal
23 voters of the new school district created the number of members necessary
24 to constitute a school board of the class in which the new school
25 district has been classified. Members of the first board shall be
26 appointed so that their terms will expire in accord with provisions of
27 law governing school districts of the class involved. The board so
28 appointed shall organize at once in the manner prescribed by law. A
29 reorganized school district shall be formed, organized, and have a
30 governing board not later than June ~~April~~ 1 following the last legal
31 action, as prescribed in section 79-413, necessary to effect the changes

1 in boundaries as set forth in the petition, although the physical
2 reorganization of such reorganized school district may not take effect
3 until the commencement of the following school year. At the next ~~annual~~
4 ~~school meeting or~~ election following the establishment of the new school
5 district and at subsequent ~~annual meetings or~~ elections, successors shall
6 be elected in the manner provided by law for election of board members of
7 the class to which the school district belongs.

8 Sec. 11. Section 79-760.01, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 79-760.01 The State Board of Education shall adopt measurable
11 academic content standards for at least the grade levels required for
12 statewide assessment pursuant to section 79-760.03. The standards shall
13 cover the subject areas of reading, writing, mathematics, science, and
14 social studies. The standards adopted shall be sufficiently clear and
15 measurable to be used for testing student performance with respect to
16 mastery of the content described in the state standards. The State Board
17 of Education shall develop a plan to review and update standards for each
18 subject area every seven ~~five~~ years. ~~The state board shall review and~~
19 ~~update the standards in reading by July 1, 2009, the standards in~~
20 ~~mathematics by July 1, 2010, and the standards in all other subject areas~~
21 ~~by July 1, 2013.~~ The state board plan shall include a review of commonly
22 accepted standards adopted by school districts.

23 Sec. 12. Section 79-760.02, Reissue Revised Statutes of Nebraska, is
24 amended to read:

25 79-760.02 In accordance with timelines that are adopted by the State
26 Board of Education, but in no event later than one year following the
27 adoption or modification of state standards, each school district shall
28 adopt measurable quality academic content standards in the subject areas
29 of reading, writing, mathematics, science, and social studies. The
30 standards may be the same as, or may be equal to or exceed in rigor, the
31 measurable academic content standards adopted by the state board and

1 shall cover at least the same grade levels. School districts may work
2 collaboratively with educational service units, with learning
3 communities, or through interlocal agreements to develop such standards.
4 ~~Educational service units and learning communities shall develop a~~
5 ~~composite set of standards shared by member school districts.~~

6 Sec. 13. Section 79-760.06, Reissue Revised Statutes of Nebraska, is
7 amended to read:

8 79-760.06 (1) On or before August 1, 2012, the State Board of
9 Education shall establish an accountability system to be used to measure
10 the performance of individual public schools and school districts. The
11 accountability system shall combine multiple indicators, including, but
12 not limited to, graduation rates, student growth and student improvement
13 on the assessment instruments provided in section 79-760.03, and other
14 indicators of the performance of public schools and school districts as
15 established by the state board.

16 (2) Beginning with the reporting of data from school year 2014-15,
17 the indicators selected by the state board for the accountability system
18 shall be combined into a school performance score and district
19 performance score. The state board shall establish levels of performance
20 based upon school performance scores and district performance scores in
21 order to classify the performance of public schools and school districts
22 beginning with the reporting of data from school year 2014-15. The state
23 board shall designate priority schools based on such classification.
24 Schools designated as priority schools shall be at the lowest performance
25 level at the time of the initial priority school designation. Schools
26 designated as priority schools shall remain priority schools until such
27 designation is removed by the state board. No more than three schools may
28 have a priority school designation at one time. Schools designated as
29 priority schools shall be subject to the requirements of section
30 79-760.07. Progress plans for the initial schools designated as priority
31 schools shall be approved by the state board no later than August 15 ~~1~~,

1 2016. The State Department of Education shall annually report the
2 performance level of individual public schools and school districts as
3 part of the statewide assessment and reporting system.

4 Sec. 14. Section 79-761, Reissue Revised Statutes of Nebraska, is
5 amended to read:

6 79-761 The State Board of Education shall develop guidelines for
7 mentor teacher programs in local systems in order to provide ongoing
8 support for individuals entering the teaching profession. Mentor teachers
9 shall not participate in the formal evaluation of beginning teachers
10 which shall be the responsibility of school administrators. Local systems
11 The mentor teacher programs shall identify criteria for selecting
12 excellent, experienced, and qualified teachers to be participants in the
13 local system mentor teacher program which are consistent with the
14 guidelines developed by the State Board of Education.

15 Sec. 15. Section 79-8,137, Reissue Revised Statutes of Nebraska, is
16 amended to read:

17 79-8,137 (1)(a) Prior to receiving any money from a loan pursuant to
18 the Attracting Excellence to Teaching Program, an eligible student shall
19 enter into a contract with the department. Such contract shall provide
20 notice to the eligible student that funding for loans pursuant to the
21 Attracting Excellence to Teaching Program terminates on June 30, 2016.
22 Such contract shall be exempt from the requirements of sections 73-501 to
23 73-510.

24 (b) For eligible students who applied for the first time prior to
25 April 23, 2009, the contract shall require that if (i) the borrower is
26 not employed as a teacher in Nebraska for a time period equal to the
27 number of years required for loan forgiveness pursuant to subsection (2)
28 of this section and is not enrolled as a full-time student in a graduate
29 program within six months after obtaining an undergraduate degree for
30 which a loan from the program was obtained or (ii) the borrower does not
31 complete the requirements for graduation within five consecutive years

1 after receiving the initial loan under the program, then the loan must be
2 repaid, with interest at the rate fixed pursuant to section 45-103
3 accruing as of the date the borrower signed the contract, and an
4 appropriate penalty as determined by the department may be assessed. If a
5 borrower fails to remain enrolled at an eligible institution or otherwise
6 fails to meet the requirements of an eligible student, repayment of the
7 loan shall commence within six months after such change in eligibility.
8 The State Board of Education may by rules and regulations provide for
9 exceptions to the conditions of repayment pursuant to this subdivision
10 based upon mitigating circumstances.

11 (c) For eligible students who apply for the first time on or after
12 April 23, 2009, the contract shall require that if (i) the borrower is
13 not employed as a full-time teacher teaching in an approved or accredited
14 school in Nebraska and teaching at least a portion of the time in the
15 shortage area for which the loan was received for a time period equal to
16 the number of years required for loan forgiveness pursuant to subsection
17 (3) of this section and is not enrolled as a full-time student in a
18 graduate program within six months after obtaining an undergraduate
19 degree for which a loan from the program was obtained or (ii) the
20 borrower does not complete the requirements for graduation within five
21 consecutive years after receiving the initial loan under the program,
22 then the loan shall be repaid with interest at the rate fixed pursuant to
23 section 45-103 accruing as of the date the borrower signed the contract
24 and actual collection costs as determined by the department. If a
25 borrower fails to remain enrolled at an eligible institution or otherwise
26 fails to continue to be an eligible student, repayment of the loan shall
27 commence within six months after such change in eligibility. The State
28 Board of Education may by rule and regulation provide for exceptions to
29 the conditions of repayment pursuant to this subdivision based upon
30 mitigating circumstances.

31 (2) If the borrower applied for the first time prior to April 23,

1 2009, and (a) successfully completes the teacher education program and
2 becomes certified pursuant to sections 79-806 to 79-815, (b) becomes
3 employed as a teacher in this state within six months of becoming
4 certified, and (c) otherwise meets the requirements of the contract,
5 payments shall be suspended for the number of years that the borrower is
6 required to remain employed as a teacher in this state under the
7 contract. For each year that the borrower teaches in Nebraska pursuant to
8 the contract, payments shall be forgiven in an amount equal to the amount
9 borrowed for one year, except that if the borrower teaches in a school
10 district that is in a local system classified as very sparse as defined
11 in section 79-1003 or teaches in a school district in which at least
12 forty percent of the students are poverty students as defined in section
13 79-1003, payments shall be forgiven each year in an amount equal to the
14 amount borrowed for two years.

15 (3) If the borrower applies for the first time on or after April 23,
16 2009, and (a) successfully completes the teacher education program and
17 major for which the borrower is receiving a forgivable loan pursuant to
18 the program and becomes certified pursuant to sections 79-806 to 79-815
19 with an endorsement in the shortage area for which the loan was received,
20 (b) becomes employed as a full-time teacher teaching at least a portion
21 of the time in the shortage area for which the loan was received in an
22 approved or accredited school in this state within six months of becoming
23 certified, and (c) otherwise meets the requirements of the contract,
24 payments shall be suspended for the number of years that the borrower is
25 required to remain employed as a teacher in this state under the
26 contract. Beginning after the first two years of teaching full-time in
27 Nebraska following graduation for the degree for which the loan was
28 received, for each year that the borrower teaches full-time in Nebraska
29 pursuant to the contract, the loan shall be forgiven in an amount equal
30 to three thousand dollars, except that if the borrower teaches full-time
31 in a school district that is in a local system classified as very sparse

1 as defined in section 79-1003, teaches in a school building in which at
2 least forty percent of the formula students are poverty students as
3 defined in section 79-1003, teaches in a school building that provides
4 free meals to all students pursuant to the community eligibility
5 provision, or teaches in an accredited or approved private school in
6 Nebraska in which at least forty percent of the enrolled students
7 qualified for free lunches as determined by the most recent data
8 available from the department, payments shall be forgiven each year in an
9 amount equal to six thousand dollars.

10 Sec. 16. Section 79-8,137.04, Reissue Revised Statutes of Nebraska,
11 is amended to read:

12 79-8,137.04 (1) Prior to receiving any money from a loan pursuant to
13 the Enhancing Excellence in Teaching Program, an eligible student shall
14 enter into a contract with the department. Such contract shall provide
15 notice to the eligible student that funding for loans pursuant to the
16 Enhancing Excellence in Teaching Program terminates on June 30, 2016.
17 Such contract shall be exempt from the requirements of sections 73-501 to
18 73-510. The contract shall require that if (a) the borrower is not
19 employed as a full-time teacher teaching in an approved or accredited
20 school in Nebraska for a time period equal to the number of years
21 required for loan forgiveness pursuant to subsection (2) of this section
22 or (b) the borrower does not complete the requirements for graduation
23 within five consecutive years after receiving the initial loan under the
24 program, then the loan shall be repaid, with interest at the rate fixed
25 pursuant to section 45-103 accruing as of the date the borrower signed
26 the contract and actual collection costs as determined by the department.
27 If a borrower fails to remain enrolled at an eligible institution or
28 otherwise fails to meet the requirements of an eligible student,
29 repayment of the loan shall commence within six months after such change
30 in eligibility. The State Board of Education may by rules and regulations
31 provide for exceptions to the conditions of repayment pursuant to this

1 subsection based upon mitigating circumstances.

2 (2) If the borrower (a) successfully completes the eligible graduate
3 program and major for which the borrower is receiving a forgivable loan
4 pursuant to the Enhancing Excellence in Teaching Program and maintains
5 certification pursuant to sections 79-806 to 79-815, (b) maintains
6 employment as a teacher in an approved or accredited school in this
7 state, and (c) otherwise meets the requirements of the contract, payments
8 shall be suspended for the number of years that the borrower is required
9 to remain employed as a teacher in this state under the contract.
10 Beginning after the first two years of teaching full-time in Nebraska
11 following graduation for the degree for which the loan was received, for
12 each year that the borrower teaches full-time in Nebraska pursuant to the
13 contract, the loan shall be forgiven in an amount equal to three thousand
14 dollars, except that if the borrower teaches full-time in a school
15 district that is in a local system classified as very sparse as defined
16 in section 79-1003, teaches in a school building in which at least forty
17 percent of the students are poverty students as defined in section
18 79-1003, teaches in a school building that provides free meals to all
19 students pursuant to the community eligibility provision, or teaches in
20 an accredited or approved private school in Nebraska in which at least
21 forty percent of the enrolled students qualified for free lunches as
22 determined by the most recent data available from the department,
23 payments shall be forgiven each year in an amount equal to six thousand
24 dollars.

25 Sec. 17. Section 79-1003, Reissue Revised Statutes of Nebraska, is
26 amended to read:

27 79-1003 For purposes of the Tax Equity and Educational Opportunities
28 Support Act:

29 (1) Adjusted general fund operating expenditures means (a) for
30 school fiscal years 2013-14 through 2015-16, the difference of the
31 general fund operating expenditures as calculated pursuant to subdivision

1 (23 22) of this section increased by the cost growth factor calculated
2 pursuant to section 79-1007.10, minus the transportation allowance,
3 special receipts allowance, poverty allowance, limited English
4 proficiency allowance, distance education and telecommunications
5 allowance, elementary site allowance, summer school allowance,
6 instructional time allowance, teacher education allowance, and focus
7 school and program allowance, and (b) for school fiscal year 2016-17 and
8 each school fiscal year thereafter, the difference of the general fund
9 operating expenditures as calculated pursuant to subdivision (23 22) of
10 this section increased by the cost growth factor calculated pursuant to
11 section 79-1007.10, minus the transportation allowance, special receipts
12 allowance, poverty allowance, limited English proficiency allowance,
13 distance education and telecommunications allowance, elementary site
14 allowance, summer school allowance, and focus school and program
15 allowance;

16 (2) Adjusted valuation means the assessed valuation of taxable
17 property of each local system in the state, adjusted pursuant to the
18 adjustment factors described in section 79-1016. Adjusted valuation means
19 the adjusted valuation for the property tax year ending during the school
20 fiscal year immediately preceding the school fiscal year in which the aid
21 based upon that value is to be paid. For purposes of determining the
22 local effort rate yield pursuant to section 79-1015.01, adjusted
23 valuation does not include the value of any property which a court, by a
24 final judgment from which no appeal is taken, has declared to be
25 nontaxable or exempt from taxation;

26 (3) Allocated income tax funds means the amount of assistance paid
27 to a local system pursuant to section 79-1005.01 as adjusted by the
28 minimum levy adjustment pursuant to section 79-1008.02;

29 (4) Average daily membership means the average daily membership for
30 grades kindergarten through twelve attributable to the local system, as
31 provided in each district's annual statistical summary, and includes the

1 proportionate share of students enrolled in a public school instructional
2 program on less than a full-time basis;

3 (5) Base fiscal year means the first school fiscal year following
4 the school fiscal year in which the reorganization or unification
5 occurred;

6 (6) Board means the school board of each school district;

7 (7) Categorical funds means funds limited to a specific purpose by
8 federal or state law, including, but not limited to, Title I funds, Title
9 VI funds, federal vocational education funds, federal school lunch funds,
10 Indian education funds, Head Start funds, and funds from the Education
11 Innovation Fund. Categorical funds does not include funds received
12 pursuant to section 79-1028.02 or 79-1028.04;

13 (8) Consolidate means to voluntarily reduce the number of school
14 districts providing education to a grade group and does not include
15 dissolution pursuant to section 79-498;

16 (9) Converted contract means an expired contract that was in effect
17 for at least fifteen school years beginning prior to school year 2012-13
18 for the education of students in a nonresident district in exchange for
19 tuition from the resident district when the expiration of such contract
20 results in the nonresident district educating students, who would have
21 been covered by the contract if the contract were still in effect, as
22 option students pursuant to the enrollment option program established in
23 section 79-234;

24 (10) Converted contract option student means a student who will be
25 an option student pursuant to the enrollment option program established
26 in section 79-234 for the school fiscal year for which aid is being
27 calculated and who would have been covered by a converted contract if the
28 contract were still in effect and such school fiscal year is the first
29 school fiscal year for which such contract is not in effect;

30 (11) Department means the State Department of Education;

31 (12) District means any Class I, II, III, IV, V, or VI school

1 district and, beginning with the calculation of state aid for school
2 fiscal year 2011-12 and each school fiscal year thereafter, a unified
3 system as defined in section 79-4,108;

4 (13) Ensuing school fiscal year means the school fiscal year
5 following the current school fiscal year;

6 (14) Equalization aid means the amount of assistance calculated to
7 be paid to a local system pursuant to sections 79-1007.11 to 79-1007.23,
8 79-1007.25, 79-1008.01 to 79-1022, 79-1022.02, 79-1028.02, and
9 79-1028.04;

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

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

16 (17) Formula students means:

17 (a) For state aid certified pursuant to section 79-1022, the sum of
18 the product of fall membership from the school fiscal year immediately
19 preceding the school fiscal year in which the aid is to be paid
20 multiplied by the average ratio of average daily membership to fall
21 membership for the second school fiscal year immediately preceding the
22 school fiscal year in which the aid is to be paid and the prior two
23 school fiscal years plus sixty percent of the qualified early childhood
24 education fall membership plus tuitioned students from the school fiscal
25 year immediately preceding the school fiscal year in which aid is to be
26 paid minus the product of the number of students enrolled in kindergarten
27 that is not full-day kindergarten from the fall membership multiplied by
28 0.5; and

29 (b) For the final calculation of state aid pursuant to section
30 79-1065, the sum of average daily membership plus sixty percent of the
31 qualified early childhood education average daily membership plus

1 tuitioned students minus the product of the number of students enrolled
2 in kindergarten that is not full-day kindergarten from the average daily
3 membership multiplied by 0.5 from the school fiscal year immediately
4 preceding the school fiscal year in which aid was paid;

5 (18) Free lunch and free milk calculated student means, for school
6 fiscal year 2016-17 and each school fiscal year thereafter, using the
7 most recent data available on November 1 of the school fiscal year
8 immediately preceding the school fiscal year in which aid is to be paid,
9 (a) a student who qualified for free lunches or free milk and attended a
10 school that uses information collected from parents and guardians
11 pursuant to section 3 of this act to determine such qualifications
12 pursuant to the federal Richard B. Russell National School Lunch Act, 42
13 U.S.C 1751 et seq., and the federal Child Nutrition Act of 1966, 42
14 U.S.C. 1771 et seq., as such acts and sections existed on January 1,
15 2015, and rules and regulations adopted thereunder, plus (b) the product
16 of the students who attend a school that provides free meals to all
17 students pursuant to the community eligibility provision multiplied by
18 the identified student percentage calculated pursuant to such federal
19 provision;

20 (19) Free lunch and free milk student means, for school fiscal years
21 prior to school fiscal year 2016-17, a student who qualified for free
22 lunches or free milk from the most recent data available on November 1 of
23 the school fiscal year immediately preceding the school fiscal year in
24 which aid is to be paid;

25 (20 19) Full-day kindergarten means kindergarten offered by a
26 district for at least one thousand thirty-two instructional hours;

27 (21 20) General fund budget of expenditures means the total budget
28 of disbursements and transfers for general fund purposes as certified in
29 the budget statement adopted pursuant to the Nebraska Budget Act, except
30 that for purposes of the limitation imposed in section 79-1023 and the
31 calculation pursuant to subdivision (2) of section 79-1027.01, the

1 general fund budget of expenditures does not include any special grant
2 funds, exclusive of local matching funds, received by a district;

3 (~~22~~ 21) General fund expenditures means all expenditures from the
4 general fund;

5 (~~23~~ 22) General fund operating expenditures means for state aid
6 calculated for school fiscal years 2012-13 and each school fiscal year
7 thereafter, as reported on the annual financial report for the second
8 school fiscal year immediately preceding the school fiscal year in which
9 aid is to be paid, the total general fund expenditures minus (a) the
10 amount of all receipts to the general fund, to the extent that such
11 receipts are not included in local system formula resources, from early
12 childhood education tuition, summer school tuition, educational entities
13 as defined in section 79-1201.01 for providing distance education courses
14 through the Educational Service Unit Coordinating Council to such
15 educational entities, private foundations, individuals, associations,
16 charitable organizations, the textbook loan program authorized by section
17 79-734, federal impact aid, and levy override elections pursuant to
18 section 77-3444, (b) the amount of expenditures for categorical funds,
19 tuition paid, transportation fees paid to other districts, adult
20 education, community services, redemption of the principal portion of
21 general fund debt service, retirement incentive plans authorized by
22 section 79-855, and staff development assistance authorized by section
23 79-856, (c) the amount of any transfers from the general fund to any bond
24 fund and transfers from other funds into the general fund, (d) any legal
25 expenses in excess of fifteen-hundredths of one percent of the formula
26 need for the school fiscal year in which the expenses occurred, (e)
27 expenditures to pay for sums agreed to be paid by a school district to
28 certificated employees in exchange for a voluntary termination occurring
29 prior to July 1, 2009, occurring on or after the last day of the 2010-11
30 school year and prior to the first day of the 2013-14 school year, or, to
31 the extent that a district has demonstrated to the State Board of

1 Education pursuant to section 79-1028.01 that the agreement will result
2 in a net savings in salary and benefit costs to the school district over
3 a five-year period, occurring on or after the first day of the 2013-14
4 school year, (f)(i) expenditures to pay for employer contributions
5 pursuant to subsection (2) of section 79-958 to the School Employees
6 Retirement System of the State of Nebraska to the extent that such
7 expenditures exceed the employer contributions under such subsection that
8 would have been made at a contribution rate of seven and thirty-five
9 hundredths percent or (ii) expenditures to pay for school district
10 contributions pursuant to subdivision (1)(c)(i) of section 79-9,113 to
11 the retirement system established pursuant to the Class V School
12 Employees Retirement Act to the extent that such expenditures exceed the
13 school district contributions under such subdivision that would have been
14 made at a contribution rate of seven and thirty-seven hundredths percent,
15 and (g) any amounts paid by the district for lobbyist fees and expenses
16 reported to the Clerk of the Legislature pursuant to section 49-1483.

17 For purposes of this subdivision (~~23~~ 22) of this section, receipts
18 from levy override elections shall equal ninety-nine percent of the
19 difference of the total general fund levy minus a levy of one dollar and
20 five cents per one hundred dollars of taxable valuation multiplied by the
21 assessed valuation for school districts that have voted pursuant to
22 section 77-3444 to override the maximum levy provided pursuant to section
23 77-3442;

24 (~~24~~ 23) High school district means a school district providing
25 instruction in at least grades nine through twelve;

26 (~~25~~ 24) Income tax liability means the amount of the reported income
27 tax liability for resident individuals pursuant to the Nebraska Revenue
28 Act of 1967 less all nonrefundable credits earned and refunds made;

29 (~~26~~ 25) Income tax receipts means the amount of income tax collected
30 pursuant to the Nebraska Revenue Act of 1967 less all nonrefundable
31 credits earned and refunds made;

1 (27 26) Limited English proficiency students means the number of
2 students with limited English proficiency in a district from the most
3 recent data available on November 1 of the school fiscal year preceding
4 the school fiscal year in which aid is to be paid plus the difference of
5 such students with limited English proficiency minus the average number
6 of limited English proficiency students for such district, prior to such
7 addition, for the three immediately preceding school fiscal years if such
8 difference is greater than zero;

9 (28 27) Local system means a learning community for purposes of
10 calculation of state aid for the second full school fiscal year after
11 becoming a learning community and each school fiscal year thereafter, a
12 unified system, a Class VI district and the associated Class I districts,
13 or a Class II, III, IV, or V district and any affiliated Class I
14 districts or portions of Class I districts. The membership, expenditures,
15 and resources of Class I districts that are affiliated with multiple high
16 school districts will be attributed to local systems based on the percent
17 of the Class I valuation that is affiliated with each high school
18 district;

19 (29 28) Low-income child means (a) for school fiscal years prior to
20 2016-17, a child under nineteen years of age living in a household having
21 an annual adjusted gross income for the second calendar year preceding
22 the beginning of the school fiscal year for which aid is being calculated
23 equal to or less than the maximum household income that would allow a
24 student from a family of four people to be a free lunch and free milk
25 student during the school fiscal year immediately preceding the school
26 fiscal year for which aid is being calculated and (b) for school fiscal
27 year 2016-17 and each school fiscal year thereafter, a child under
28 nineteen years of age living in a household having an annual adjusted
29 gross income for the second calendar year preceding the beginning of the
30 school fiscal year for which aid is being calculated equal to or less
31 than the maximum household income pursuant to sections 9(b)(1) and 17(c)

1 (4) of the Richard B. Russell National School Lunch Act, 42 U.S.C.
2 1758(b)(1) and 42 U.S.C. 1766(c)(4), respectively, and sections 3(a)(6)
3 and 4(e)(1)(A) of the Child Nutrition Act of 1966, 42 U.S.C. 1772(a)(6)
4 and 42 U.S.C. 1773(e)(1)(A), respectively, as such acts and sections
5 existed on January 1, 2015, for a household of that size that would have
6 allowed the child to meet the income qualifications for free meals during
7 the school fiscal year immediately preceding the school fiscal year for
8 which aid is being calculated;

9 (~~30~~ 29) Low-income students means the number of low-income children
10 within the district multiplied by the ratio of the formula students in
11 the district divided by the total children under nineteen years of age
12 residing in the district as derived from income tax information;

13 (~~31~~ 30) Most recently available complete data year means the most
14 recent single school fiscal year for which the annual financial report,
15 fall school district membership report, annual statistical summary,
16 Nebraska income tax liability by school district for the calendar year in
17 which the majority of the school fiscal year falls, and adjusted
18 valuation data are available;

19 (~~32~~ 31) Poverty students means (a) for school fiscal years prior to
20 2016-17, the number of low-income students or the number of students who
21 are free lunch and free milk students in a district plus the difference
22 of the number of low-income students or the number of students who are
23 free lunch and free milk students in a district, whichever is greater,
24 minus the average number of poverty students for such district, prior to
25 such addition, for the three immediately preceding school fiscal years if
26 such difference is greater than zero and (b) for school fiscal year
27 2016-17 and each school fiscal year thereafter, the unadjusted poverty
28 students plus the difference of such unadjusted poverty students minus
29 the average number of poverty students for such district, prior to such
30 addition, for the three immediately preceding school fiscal years if such
31 difference is greater than zero;

1 (33 32) Qualified early childhood education average daily membership
2 means the product of the average daily membership for school fiscal year
3 2006-07 and each school fiscal year thereafter of students who will be
4 eligible to attend kindergarten the following school year and are
5 enrolled in an early childhood education program approved by the
6 department pursuant to section 79-1103 for such school district for such
7 school year multiplied by the ratio of the actual instructional hours of
8 the program divided by one thousand thirty-two if: (a) The program is
9 receiving a grant pursuant to such section for the third year; (b) the
10 program has already received grants pursuant to such section for three
11 years; or (c) the program has been approved pursuant to subsection (5) of
12 section 79-1103 for such school year and the two preceding school years,
13 including any such students in portions of any of such programs receiving
14 an expansion grant;

15 (34 33) Qualified early childhood education fall membership means
16 the product of membership on the last Friday in September 2006 and each
17 year thereafter of students who will be eligible to attend kindergarten
18 the following school year and are enrolled in an early childhood
19 education program approved by the department pursuant to section 79-1103
20 for such school district for such school year multiplied by the ratio of
21 the planned instructional hours of the program divided by one thousand
22 thirty-two if: (a) The program is receiving a grant pursuant to such
23 section for the third year; (b) the program has already received grants
24 pursuant to such section for three years; or (c) the program has been
25 approved pursuant to subsection (5) of section 79-1103 for such school
26 year and the two preceding school years, including any such students in
27 portions of any of such programs receiving an expansion grant;

28 (35 34) Regular route transportation means the transportation of
29 students on regularly scheduled daily routes to and from the attendance
30 center;

31 (36 35) Reorganized district means any district involved in a

1 consolidation and currently educating students following consolidation;

2 (37 36) School year or school fiscal year means the fiscal year of a
3 school district as defined in section 79-1091;

4 (38 37) Sparse local system means a local system that is not a very
5 sparse local system but which meets the following criteria:

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

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

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

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

22 (39 38) Special education means specially designed kindergarten
23 through grade twelve instruction pursuant to section 79-1125, and
24 includes special education transportation;

25 (40 39) Special grant funds means the budgeted receipts for grants,
26 including, but not limited to, categorical funds, reimbursements for
27 wards of the court, short-term borrowings including, but not limited to,
28 registered warrants and tax anticipation notes, interfund loans,
29 insurance settlements, and reimbursements to county government for
30 previous overpayment. The state board shall approve a listing of grants
31 that qualify as special grant funds;

1 (41 ~~40~~) State aid means the amount of assistance paid to a district
2 pursuant to the Tax Equity and Educational Opportunities Support Act;

3 (42 ~~41~~) State board means the State Board of Education;

4 (43 ~~42~~) State support means all funds provided to districts by the
5 State of Nebraska for the general fund support of elementary and
6 secondary education;

7 (44 ~~43~~) Statewide average basic funding per formula student means
8 the statewide total basic funding for all districts divided by the
9 statewide total formula students for all districts;

10 (45 ~~44~~) Statewide average general fund operating expenditures per
11 formula student means the statewide total general fund operating
12 expenditures for all districts divided by the statewide total formula
13 students for all districts;

14 (46 ~~45~~) Teacher has the definition found in section 79-101;

15 (47 ~~46~~) Temporary aid adjustment factor means (a) for school fiscal
16 years before school fiscal year 2007-08, one and one-fourth percent of
17 the sum of the local system's transportation allowance, the local
18 system's special receipts allowance, and the product of the local
19 system's adjusted formula students multiplied by the average formula cost
20 per student in the local system's cost grouping and (b) for school fiscal
21 year 2007-08, one and one-fourth percent of the sum of the local system's
22 transportation allowance, special receipts allowance, and distance
23 education and telecommunications allowance and the product of the local
24 system's adjusted formula students multiplied by the average formula cost
25 per student in the local system's cost grouping;

26 (48 ~~47~~) Tuition receipts from converted contracts means tuition
27 receipts received by a district from another district in the most
28 recently available complete data year pursuant to a converted contract
29 prior to the expiration of the contract;

30 (49 ~~48~~) Tuitioned students means students in kindergarten through
31 grade twelve of the district whose tuition is paid by the district to

1 some other district or education agency;~~and~~

2 (50) Unadjusted poverty students means, for school fiscal year
3 2016-17 and each school fiscal year thereafter, the greater of the number
4 of low-income students or the free lunch and free milk calculated
5 students in a district; and

6 (51 49) Very sparse local system means a local system that has:

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

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

18 Sec. 18. Section 79-1003.01, Reissue Revised Statutes of Nebraska,
19 is amended to read:

20 79-1003.01 (1) The department shall calculate a summer school
21 allowance for each district which submits the information required for
22 the calculation on a form prescribed by the department on or before
23 October 15 of the school fiscal year preceding the school fiscal year for
24 which aid is being calculated. For aid calculated for school fiscal years
25 through school fiscal year 2013-14, the summer school allowance shall be
26 equal to two and one-half percent of the summer school student units for
27 such district multiplied by eighty-five percent of the statewide average
28 general fund operating expenditures per formula student. For aid
29 calculated for school fiscal year 2014-15 and each school fiscal year
30 thereafter, the summer school allowance shall be equal to the lesser of
31 two and one-half percent of the product of the summer school student

1 units for such district multiplied by eighty-five percent of the
2 statewide average general fund operating expenditures per formula student
3 or the summer school and early childhood summer school expenditures that
4 are paid for with noncategorical funds generated by state or local taxes
5 as reported on the annual financial report for the most recently
6 available data year and that are not included in other allowances.

7 (2) Summer school student units shall be calculated for each student
8 enrolled in summer school as defined in section 79-536 in a school
9 district who attends such summer school for at least twelve days in the
10 most recently available complete data year, whether or not the student is
11 in the membership of the school district. The initial number of units for
12 each such student shall equal the sum of the ratios, each rounded down to
13 the nearest whole number, of the number of days for which the student
14 attended summer school classes in such district for at least three hours
15 and less than six hours per day divided by twelve days and of two times
16 the number of days for which the student attended summer school classes
17 in such district for six or more hours per day divided by twelve days.

18 (3) Each school district shall receive an additional summer school
19 student unit for each summer school student unit attributed to remedial
20 math or reading programs. Each school district shall also receive an
21 additional summer school student unit for each summer school student unit
22 attributed to a free lunch and free milk student who in the school year
23 immediately preceding summer school either (a) qualified for free lunches
24 or free milk and attended a school that uses information collected from
25 parents and guardians to determine such qualifications or (b) attended a
26 school that provides free meals to all students pursuant to the community
27 eligibility provision.

28 (4) Beginning with state aid calculated for school fiscal year
29 2012-13, summer school student units shall be calculated for each student
30 who was both enrolled in the most recently available complete data year
31 in a summer session of an early childhood education program for which a

1 qualified early childhood education fall membership greater than zero has
2 been calculated for the school fiscal year for which aid is being
3 calculated and eligible to attend kindergarten in the fall immediately
4 following such summer session. The initial number of units for each such
5 early childhood education student shall equal the sum of the ratios, each
6 rounded down to the nearest whole number, of the number of days for which
7 the student attended the summer session in such district for at least
8 three hours and less than six hours per day divided by twelve days and of
9 two times the number of days for which the student attended the summer
10 session in such district for six or more hours per day divided by twelve
11 days. The initial summer school student units for early childhood
12 education students shall be multiplied by six-tenths. Instructional hours
13 included in the calculation of the qualified early childhood education
14 fall membership or the qualified early childhood education average daily
15 membership shall not be included in the calculation of the summer school
16 allowance.

17 (5) Each school district shall receive an additional six-tenths of a
18 summer school student unit for each early childhood education student
19 unit attributed to an a free lunch and free milk early childhood
20 education student who is either qualified for free lunches or free milk
21 based on information collected from parents and guardians to determine
22 such qualifications or is registered to attend a school in the school
23 year immediately following such summer that provides free meals to all
24 students pursuant to the community eligibility provision.

25 (6) This section does not prevent school districts from requiring
26 and collecting fees for summer school or summer sessions of early
27 childhood education programs, except that summer school student units
28 shall not be calculated for school districts which collect fees for
29 summer school from students who qualify for free or reduced-price lunches
30 under United States Department of Agriculture child nutrition programs or
31 who attended, or are registered to attend, a school in the school year

1 immediately following such summer that provides free meals to all
2 students pursuant to the community eligibility provision.

3 Sec. 19. Section 79-1007.06, Reissue Revised Statutes of Nebraska,
4 is amended to read:

5 79-1007.06 (1) For school fiscal year 2008-09 and each school fiscal
6 year thereafter, the department shall determine the poverty allowance for
7 each school district that meets the requirements of this section and ~~has~~
8 ~~not been disqualified pursuant to~~ section 79-1007.07. Each school
9 district shall designate a maximum poverty allowance on a form prescribed
10 by the department on or before October 15 of the school fiscal year
11 immediately preceding the school fiscal year for which aid is being
12 calculated. The school district may decline to participate in the poverty
13 allowance by providing the department with a maximum poverty allowance of
14 zero dollars on such form on or before October 15 of the school fiscal
15 year immediately preceding the school fiscal year for which aid is being
16 calculated. Each school district designating a maximum poverty allowance
17 greater than zero dollars shall submit a poverty plan pursuant to section
18 79-1013.

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

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

25 (b) The sum of:

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

30 (ii) The statewide average general fund operating expenditures per
31 formula student multiplied by 0.0750 then multiplied by the poverty

1 students comprising more than ten percent and not more than fifteen
2 percent of the formula students in the school district; plus

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

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

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

15 (vi) The statewide average general fund operating expenditures per
16 formula student multiplied by 0.2250 then multiplied by the poverty
17 students comprising more than thirty percent of the formula students in
18 the school district.

19 Sec. 20. Section 79-1007.07, Reissue Revised Statutes of Nebraska,
20 is amended to read:

21 79-1007.07 (1)(a) The annual financial report required pursuant to
22 section 79-528 shall include:

23 (i) The amount of the poverty allowance used in the certification of
24 state aid pursuant to section 79-1022 for such school fiscal year;

25 (ii) The amount of federal funds received based on poverty as
26 defined by the federal program providing the funds;

27 (iii) The expenditures and sources of funding for each program
28 related to poverty with a narrative description of the program, the
29 method used to allocate money to the program and within the program, and
30 the program's relationship to the poverty plan submitted pursuant to
31 section 79-1013 for such school fiscal year;

1 (iv) The expenditures and sources of funding for support costs
2 directly attributable to implementing the district's poverty plan; and

3 (v) An explanation of how any required elements of the poverty plan
4 for such school fiscal year were met.

5 (b) The department shall set up accounting codes for the receipts
6 and expenditures required to be reported on the annual financial report
7 pursuant to this subsection.

8 (2) The department shall determine the poverty allowance
9 expenditures using the reported expenditures on the annual financial
10 report for the most recently available complete data year that would
11 include in the poverty allowance expenditures only those expenditures
12 that are not included in other allowances, that were used to specifically
13 address issues related to the education of students living in poverty or
14 to the implementation of the poverty plan, that do not replace
15 expenditures that would have occurred if the students involved in the
16 program did not live in poverty, and that are paid for with
17 noncategorical funds generated by state or local taxes or funds
18 distributed through the Tax Equity and Educational Opportunities Support
19 Act pursuant to the federal American Recovery and Reinvestment Act of
20 2009 or the federal Education Jobs Fund created pursuant to Public Law
21 111-226. The department shall establish a procedure to allow school
22 districts to receive preapproval for categories of expenditures that
23 could be included in poverty allowance expenditures.

24 (3) If the poverty allowance expenditures do not equal 117.65
25 percent or more of the poverty allowance for the most recently available
26 complete data year, the department shall calculate a poverty allowance
27 correction. The poverty allowance correction shall equal the poverty
28 allowance minus eighty-five percent of the poverty allowance
29 expenditures. For aid calculated for school fiscal years prior to school
30 fiscal year 2016-17, if If the poverty allowance expenditures do not
31 equal fifty percent or more of the allowance for such school fiscal year,

1 the school district shall also be disqualified from receiving a poverty
2 allowance for the school fiscal year for which aid is being calculated.

3 (4)(a)(i) For aid calculated for school fiscal years prior to school
4 fiscal year 2016-17, if If the department determines that the school
5 district did not meet the required elements of the poverty plan for the
6 most recently available complete data year, the department shall
7 calculate a poverty allowance correction equal to fifty percent of the
8 poverty allowance for such school fiscal year and the school district
9 shall also be disqualified from receiving a poverty allowance for the
10 school fiscal year for which aid is being calculated.

11 (ii) For aid calculated for school fiscal year 2016-17 and each
12 school fiscal year thereafter, if the department determines that the
13 school district did not meet the required elements of the poverty plan
14 for the most recently available complete data year, the department shall
15 calculate a poverty allowance correction equal to five percent of the
16 poverty allowance for such school fiscal year.

17 (b) Any poverty allowance correction calculated pursuant to this
18 subsection shall be added to any poverty allowance correction calculated
19 pursuant to subsection (3) of this section to arrive at the total poverty
20 allowance correction.

21 (5) The department may request additional information from any
22 school district to assist with calculations and determinations pursuant
23 to this section. If the school district does not provide information upon
24 the request of the department pursuant to this section, the school
25 district shall be disqualified from receiving a poverty allowance for the
26 school fiscal year for which aid is being calculated.

27 (6) The department shall provide electronically an annual report to
28 the Legislature containing a general description of the expenditures and
29 funding sources for programs related to poverty statewide and specific
30 descriptions of the expenditures and funding sources for programs related
31 to poverty for each school district.

1 (7) The state board shall establish a procedure for appeal of
2 decisions of the department to the state board for a final determination.

3 Sec. 21. Section 79-1013, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 79-1013 (1) On or before October 15 of each year, each school
6 district designating a maximum poverty allowance greater than zero
7 dollars shall submit a poverty plan for the next school fiscal year to
8 the department and to the learning community coordinating council of any
9 learning community of which the school district is a member. On or before
10 the immediately following December 1, (a) the department shall approve or
11 disapprove such plan for school districts that are not members of a
12 learning community based on the inclusion of the elements required
13 pursuant to this section and (b) the learning community coordinating
14 council and, as to the applicable portions thereof, each achievement
15 subcouncil, shall approve or disapprove such plan for school districts
16 that are members of such learning community based on the inclusion of
17 such elements. On or before the immediately following December 5, each
18 learning community coordinating council shall certify to the department
19 the approval or disapproval of the poverty plan for each member school
20 district.

21 (2) In order to be approved pursuant to this section, a poverty plan
22 shall include an explanation of how the school district will address the
23 following issues for such school fiscal year:

24 (a) Attendance, including absence followup and transportation for
25 students qualifying for free or reduced-price lunches, regardless of the
26 method of qualification, who reside more than one mile from the
27 attendance center;

28 (b) Student mobility, including transportation to allow a student to
29 continue attendance at the same school if the student moves to another
30 attendance area within the same school district or within the same
31 learning community;

1 (c) Parental involvement at the school-building level with a focus
2 on the involvement of parents in poverty and from other diverse
3 backgrounds;

4 (d) Parental involvement at the school-district level with a focus
5 on the involvement of parents in poverty and from other diverse
6 backgrounds;

7 (e) Class size reduction or maintenance of small class sizes in
8 elementary grades;

9 (f) Scheduled teaching time on a weekly basis that will be free from
10 interruptions;

11 (g) Access to early childhood education programs for children in
12 poverty;

13 (h) Student access to social workers;

14 (i) Access to summer school, extended-school-day programs, or
15 extended-school-year programs;

16 (j) Mentoring for new and newly reassigned teachers;

17 (k) Professional development for teachers and administrators,
18 focused on addressing the educational needs of students in poverty and
19 students from other diverse backgrounds;

20 (l) Coordination with elementary learning centers if the school
21 district is a member of a learning community; and

22 (m) An evaluation to determine the effectiveness of the elements of
23 the poverty plan.

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

27 Sec. 22. Section 79-1018.01, Reissue Revised Statutes of Nebraska,
28 is amended to read:

29 79-1018.01 Except as otherwise provided in this section, local
30 system formula resources include other actual receipts available for the
31 funding of general fund operating expenditures as determined by the

1 department for the second school fiscal year immediately preceding the
2 school fiscal year in which aid is to be paid. Other actual receipts
3 include:

4 (1) Public power district sales tax revenue;

5 (2) Fines and license fees;

6 (3) Tuition receipts from individuals, other districts, or any other
7 source except receipts derived from adult education, receipts derived
8 from summer school tuition, receipts derived from early childhood
9 education tuition, tuition receipts from converted contracts beginning
10 with the calculation of state aid to be distributed in school fiscal year
11 2011-12, and receipts from educational entities as defined in section
12 79-1201.01 for providing distance education courses through the
13 Educational Service Unit Coordinating Council to such educational
14 entities;

15 (4) Transportation receipts;

16 (5) Interest on investments;

17 (6) Other miscellaneous noncategorical local receipts, not including
18 receipts from private foundations, individuals, associations, or
19 charitable organizations;

20 (7) Special education receipts;

21 (8) Special education receipts and non-special education receipts
22 from the state for wards of the court and wards of the state;

23 (9) All receipts from the temporary school fund. Receipts from the
24 temporary school fund shall only include (a) receipts pursuant to section
25 ~~79-1035, to the extent that such receipts for the calculation of aid for~~
26 ~~school fiscal year 2018-19 and each school fiscal year thereafter are not~~
27 ~~returned to the temporary school fund pursuant to section 79-309.01, and~~
28 (b) the receipt of funds pursuant to section 79-1036 for property leased
29 for a public purpose as set forth in subdivision (1)(a) of section
30 77-202;

31 (10) Motor vehicle tax receipts received;

1 (11) Pro rata motor vehicle license fee receipts;

2 (12) Other miscellaneous state receipts excluding revenue from the
3 textbook loan program authorized by section 79-734;

4 (13) Impact aid entitlements for the school fiscal year which have
5 actually been received by the district to the extent allowed by federal
6 law;

7 (14) All other noncategorical federal receipts;

8 (15) All receipts pursuant to the enrollment option program under
9 sections 79-232 to 79-246;

10 (16) Receipts under the federal Medicare Catastrophic Coverage Act
11 of 1988, as such act existed on January 1, 2014, as authorized pursuant
12 to sections 43-2510 and 43-2511 for services to school-age children,
13 excluding amounts designated as reimbursement for costs associated with
14 the implementation and administration of the billing system pursuant to
15 section 43-2511;

16 (17) Receipts for accelerated or differentiated curriculum programs
17 pursuant to sections 79-1106 to 79-1108.03; and

18 (18) Revenue received from the nameplate capacity tax distributed
19 pursuant to section 77-6204.

20 Sec. 23. Section 79-1028.01, Reissue Revised Statutes of Nebraska,
21 is amended to read:

22 79-1028.01 (1) For each school fiscal year, a school district may
23 exceed its budget authority for the general fund budget of expenditures
24 as calculated pursuant to section 79-1023 for such school fiscal year by
25 a specific dollar amount for the following exclusions:

26 (a) Expenditures for repairs to infrastructure damaged by a natural
27 disaster which is declared a disaster emergency pursuant to the Emergency
28 Management Act;

29 (b) Expenditures for judgments, except judgments or orders from the
30 Commission of Industrial Relations, obtained against a school district
31 which require or obligate a school district to pay such judgment, to the

1 extent such judgment is not paid by liability insurance coverage of a
2 school district;

3 (c) Expenditures pursuant to the Retirement Incentive Plan
4 authorized in section 79-855 or the Staff Development Assistance
5 authorized in section 79-856;

6 (d) Expenditures of amounts received from educational entities as
7 defined in section 79-1201.01 for providing distance education courses
8 through the Educational Service Unit Coordinating Council to such
9 educational entities;

10 (e) Expenditures to pay for employer contributions pursuant to
11 subsection (2) of section 79-958 to the School Employees Retirement
12 System of the State of Nebraska to the extent that such expenditures
13 exceed the employer contributions under such subsection that would have
14 been made at a contribution rate of seven and thirty-five hundredths
15 percent;

16 (f) Expenditures to pay for school district contributions pursuant
17 to subdivision (1)(c)(i) of section 79-9,113 to the retirement system
18 established pursuant to the Class V School Employees Retirement Act to
19 the extent that such expenditures exceed the school district
20 contributions under such subdivision that would have been made at a
21 contribution rate of seven and thirty-seven hundredths percent;

22 (g) Expenditures for sums agreed to be paid by a school district to
23 certificated employees in exchange for a voluntary termination occurring
24 prior to July 1, 2009, occurring on or after the last day of the 2010-11
25 school year and prior to the first day of the 2013-14 school year, or, to
26 the extent that a district demonstrates to the State Board of Education
27 pursuant to subsection (3) of this section that the agreement will result
28 in a net savings in salary and benefit costs to the school district over
29 a five-year period, occurring on or after the first day of the 2013-14
30 school year;

31 ~~(h) Any expenditures in school fiscal years 2016-17 and 2017-18 of~~

1 ~~amounts specified in the notice provided by the Commissioner of Education~~
2 ~~pursuant to section 79-309.01 for teacher performance pay;~~

3 (h ~~ï~~) The special education budget of expenditures; and

4 (i ~~ñ~~) Expenditures of special grant funds.

5 (2) For each school fiscal year, a school district may exceed its
6 budget authority for the general fund budget of expenditures as
7 calculated pursuant to section 79-1023 for such school fiscal year by a
8 specific dollar amount and include such dollar amount in the budget of
9 expenditures used to calculate budget authority for the general fund
10 budget of expenditures pursuant to section 79-1023 for future years for
11 the following exclusions:

12 (a) Expenditures of support grants to be received in such school
13 fiscal year pursuant to section 79-1011;

14 (b) The first school fiscal year the district will be participating
15 in Network Nebraska for the full school fiscal year, for the difference
16 of the estimated expenditures for such school fiscal year for
17 telecommunications services, access to data transmission networks that
18 transmit data to and from the school district, and the transmission of
19 data on such networks as such expenditures are defined by the department
20 for purposes of the distance education and telecommunications allowance
21 minus the dollar amount of such expenditures for the second school fiscal
22 year preceding the first full school fiscal year the district
23 participates in Network Nebraska;

24 (c) Expenditures for new elementary attendance sites in the first
25 year of operation or the first year of operation after being closed for
26 at least one school year if such elementary attendance site will most
27 likely qualify for the elementary site allowance in the immediately
28 following school fiscal year as determined by the state board;

29 (d) For the first school fiscal year for which early childhood
30 education membership is included in formula students for the calculation
31 of state aid, expenditures for early childhood education equal to the

1 amount the school district received in early childhood education grants
2 pursuant to section 79-1103 for the prior school fiscal year, increased
3 by the basic allowable growth rate; and

4 (e) For school fiscal year 2013-14, an amount not to exceed two
5 percent over the previous school year if such increase is approved by a
6 seventy-five percent majority vote of the school board of such district.

7 (3) The state board shall approve, deny, or modify the amount
8 allowed for any exclusions to the budget authority for the general fund
9 budget of expenditures pursuant to this section.

10 Sec. 24. Section 79-1035, Reissue Revised Statutes of Nebraska, is
11 amended to read:

12 79-1035 (1)(a) The State Treasurer shall, each year on or before the
13 third Monday in January, make a complete exhibit of all money belonging
14 to the permanent school fund and the temporary school fund as returned to
15 him or her from the several counties, together with the amount derived
16 from other sources, and deliver such exhibit duly certified to the
17 Commissioner of Education.

18 (b) Beginning in 2016 and each year thereafter, the exhibit required
19 in subdivision (1)(a) of this section shall include a separate
20 accounting, not to exceed an amount of ten million dollars, of the income
21 from solar and wind agreements on school lands. The amount of income from
22 solar and wind agreements on school lands shall be used to fund the
23 grants described in section 79-308. The Board of Educational Lands and
24 Funds shall provide the State Treasurer with the information necessary to
25 make the exhibit required by this subsection. Separate accounting shall
26 not be made for income from solar or wind agreements on school lands that
27 exceeds the sum of ten million dollars.

28 (2) On or before February 25 following receipt of the exhibit from
29 the State Treasurer pursuant to subsection (1) of this section, the
30 Commissioner of Education shall make the apportionment of the temporary
31 school fund to each school district as follows: From the whole amount,

1 less the amount of income from solar and wind agreements on school lands,
2 there shall be paid to those districts in which there are school or
3 saline lands, which lands are used for a public purpose, an amount in
4 lieu of tax money that would be raised if such lands were taxable, to be
5 fixed in the manner prescribed in section 79-1036; and the remainder
6 shall be apportioned to the districts according to the pro rata
7 enumeration of children who are five through eighteen years of age in
8 each district last returned from the school district. The calculation of
9 apportionment for each school fiscal year shall include any corrections
10 to the prior school fiscal year's apportionment.

11 (3) The Commissioner of Education shall certify the amount of the
12 apportionment of the temporary school fund as provided in subsection (2)
13 of this section to the Director of Administrative Services. The Director
14 of Administrative Services shall draw a warrant on the State Treasurer in
15 favor of the various districts for the respective amounts so certified by
16 the Commissioner of Education.

17 (4) For purposes of this section, agreement means any lease,
18 easement, covenant, or other such contractual arrangement.

19 Sec. 25. Section 79-1205, Reissue Revised Statutes of Nebraska, is
20 amended to read:

21 79-1205 On or before August 1 ~~July 31, 2007, and on or before July~~
22 ~~31~~ of each year ~~thereafter~~, the State Board of Education shall adjust the
23 boundaries of any educational service unit the boundaries of which do not
24 align with the boundaries of the member school districts on August ~~July 1~~
25 of such year. Such boundary adjustments shall align the boundaries of the
26 educational service unit with the boundaries of the member school
27 districts as the boundaries of the member school districts existed on
28 August ~~July 1~~ of such year. Such boundary adjustments shall be referred
29 to the appropriate county and educational service unit officials, and
30 such officials shall implement the adjustments and make the necessary
31 changes in the educational service unit maps and tax records.

1 Sec. 26. Section 79-1315, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 79-1315 (1) The Nebraska Educational Telecommunications Commission
4 shall be composed of eleven members, as follows: (a) The Commissioner of
5 Education or his or her designee; (b) the President of the University of
6 Nebraska or his or her designee; (c) a representative of the state
7 colleges; (d) a representative of the community colleges; (e) a
8 representative of private educational institutions of the State of
9 Nebraska; and (f) six members of the general public, none of whom shall
10 be associated with any of the institutions listed in subdivisions (a)
11 through (e) of this subsection and two of whom shall be from each
12 congressional district. No more than four of the members shall be
13 actively engaged in the teaching profession or administration of an
14 educational institution.

15 (2) The members described in subdivisions (1)(c) through (1)(f) of
16 this section shall be appointed by the Governor with the approval of the
17 Legislature for terms of four years, and the term of the member described
18 in subdivision (1)(d) of this section shall be the same as the term of
19 the member described in subdivision (1)(c) of this section. Vacancies
20 shall be filled by the Governor for the unexpired term. The commission
21 shall be nonpolitical in character, and selection of the members of the
22 commission shall be made on a nonpolitical basis. No member of the
23 commission shall receive any compensation for his or her services.
24 Reimbursement shall be provided for reasonable and necessary expenses
25 incurred in attending scheduled meetings of the commission as provided in
26 sections 81-1174 to 81-1177.

27 If the Commissioner of Education is unable to attend a commission
28 meeting, ~~the deputy commissioner of education or~~ his or her designee is
29 authorized to act on ~~his or her~~ behalf of the commissioner, and if the
30 President of the University of Nebraska or his or her designee is unable
31 to attend a commission meeting, the Executive Vice President and Provost

1 for academic affairs is authorized to act on his or her behalf.

2 Sec. 27. Section 79-2110, Reissue Revised Statutes of Nebraska, is
3 amended to read:

4 79-2110 (1)(a) Each diversity plan shall provide for open enrollment
5 in all school buildings in the learning community, subject to specific
6 limitations necessary to bring about diverse enrollments in each school
7 building in the learning community. Such limitations, for school
8 buildings other than focus schools and programs other than focus
9 programs, shall include giving preference at each school building first
10 to siblings of students who will be enrolled as continuing students in
11 such school building or program for the first school year for which
12 enrollment is sought in such school building and then to students that
13 contribute to the socioeconomic diversity of enrollment at each building
14 and may include establishing zone limitations in which students may
15 access several schools other than their home attendance area school.
16 Notwithstanding the limitations necessary to bring about diversity, open
17 enrollment shall include providing access to students who do not
18 contribute to the socioeconomic diversity of a school building, if,
19 subsequent to the open enrollment selection process that is subject to
20 limitations necessary to bring about diverse enrollments, capacity
21 remains in a school building. In such a case, students who have applied
22 to attend such school building shall be selected to attend such school
23 building on a random basis up to the remaining capacity of such building.
24 A student who has otherwise been disqualified from the school building
25 pursuant to the school district's code of conduct or related school
26 discipline rules shall not be eligible for open enrollment pursuant to
27 this section. Any student who attended a particular school building in
28 the prior school year and who is seeking education in the grades offered
29 in such school building shall be allowed to continue attending such
30 school building as a continuing student.

31 (b) To facilitate the open enrollment provisions of this subsection,

1 each school year each member school district in a learning community
2 shall establish a maximum capacity for each school building under such
3 district's control pursuant to procedures and criteria established by the
4 learning community coordinating council. Each member school district
5 shall also establish attendance areas for each school building under the
6 district's control, except that the school board shall not establish
7 attendance areas for focus schools or focus programs. The attendance
8 areas shall be established such that all of the territory of the school
9 district is within an attendance area for each grade. Students residing
10 in a school district shall be allowed to attend a school building in such
11 school district.

12 (c) For purposes of this section and sections 79-238 and 79-611,
13 student who contributes to the socioeconomic diversity of enrollment
14 means (i) a student who does not qualify for free or reduced-price
15 lunches when, based upon the certification pursuant to section 79-2120,
16 the school building the student will attend either has more students
17 qualifying for free or reduced-price lunches than the average percentage
18 of such students in all school buildings in the learning community or
19 provides free meals to all students pursuant to the community eligibility
20 provision or (ii) a student who qualifies for free or reduced-price
21 lunches based on information collected from parents and guardians when,
22 based upon the certification pursuant to section 79-2120, the school
23 building the student will attend has fewer students qualifying for free
24 or reduced-price lunches than the average percentage of such students in
25 all school buildings in the learning community and does not provide free
26 meals to all students pursuant to the community eligibility provision.

27 (2)(a) On or before March 15 of each year beginning with the year
28 immediately following the year in which the initial coordinating council
29 for the learning community takes office, a parent or guardian of a
30 student residing in a member school district in a learning community may
31 submit an application to any school district in the learning community on

1 behalf of a student who is applying to attend a school building for the
2 following school year that is not in an attendance area where the
3 applicant resides or a focus school, focus program, or magnet school as
4 such terms are defined in section 79-769. On or before April 1 of each
5 year beginning with the year immediately following the year in which the
6 initial coordinating council for the learning community takes office, the
7 school district shall accept or reject such applications based on the
8 capacity of the school building, the eligibility of the applicant for the
9 school building or program, the number of such applicants that will be
10 accepted for a given school building, and whether or not the applicant
11 contributes to the socioeconomic diversity of the school or program to
12 which he or she has applied and for which he or she is eligible. The
13 school district shall notify such parent or guardian in writing of the
14 acceptance or rejection.

15 (b) A parent or guardian may provide information on the application
16 regarding the applicant's potential qualification for free or reduced-
17 price lunches. Any such information provided shall be subject to
18 verification and shall only be used for the purposes of this section.
19 Nothing in this section requires a parent or guardian to provide such
20 information. Determinations about an applicant's qualification for free
21 or reduced-price lunches for purposes of this section shall be based on
22 any verified information provided on the application. If no such
23 information is provided the student shall be presumed not to qualify for
24 free or reduced-price lunches for the purposes of this section.

25 (c) A student may not apply to attend a school building in the
26 learning community for any grades that are offered by another school
27 building for which the student had previously applied and been accepted
28 pursuant to this section, absent a hardship exception as established by
29 the individual school district. On or before September 1 of each year
30 beginning with the year immediately following the year in which the
31 initial coordinating council for the learning community takes office,

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

9 (3) Each diversity plan may also include establishment of one or
10 more focus schools or focus programs and the involvement of every member
11 school district in one or more pathways across member school districts.
12 Enrollment in each focus school or focus program shall be designed to
13 reflect the socioeconomic diversity of the learning community as a whole.
14 School district selection of students for focus schools or focus programs
15 shall be on a random basis from two pools of applicants, those who
16 qualify for free and reduced-price lunches and those who do not qualify
17 for free and reduced-price lunches. The percentage of students selected
18 for focus schools from the pool of applicants who qualify for free and
19 reduced-price lunches shall be as nearly equal as possible to the
20 percentage of the student body of the learning community who qualify for
21 free and reduced-price lunches. The percentage of students selected for
22 focus schools from the pool of applicants who do not qualify for free and
23 reduced-price lunches shall be as nearly equal as possible to the
24 percentage of the student body of the learning community who do not
25 qualify for free and reduced-price lunches. If more capacity exists in a
26 focus school or program than the number of applicants for such focus
27 school or program that contribute to the socioeconomic diversity of the
28 focus school or program, the school district shall randomly select
29 applicants up to the number of applicants that will be accepted for such
30 building. A student who will complete the grades offered at a focus
31 program, focus school, or magnet school that is part of a pathway shall

1 be allowed to attend the focus program, focus school, or magnet school
2 offering the next grade level as part of the pathway as a continuing
3 student. A student who completes the grades offered at a focus program,
4 focus school, or magnet school shall be allowed to attend a school
5 offering the next grade level in the school district responsible for the
6 focus program, focus school, or magnet school as a continuing student. A
7 student who attended a program or school in the school year immediately
8 preceding the first school year for which the program or school will
9 operate as a focus program or focus school approved by the learning
10 community and meeting the requirements of section 79-769 and who has not
11 completed the grades offered at the focus program or focus school shall
12 be a continuing student in the program or school.

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

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

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

22 Sec. 28. Section 79-2113, Reissue Revised Statutes of Nebraska, is
23 amended to read:

24 79-2113 (1) On or before the second June 1 immediately following the
25 establishment of a new learning community, the learning community
26 coordinating council shall establish at least one elementary learning
27 center for each twenty-five elementary schools in which either at least
28 thirty-five percent of the students attending the school who reside in
29 the attendance area of such school qualify for free or reduced-price
30 lunches or free meals are provided to all students pursuant to the
31 community eligibility provision. The council shall determine how many of

1 the initial elementary learning centers shall be located in each
2 subcouncil district on or before September 1 immediately following the
3 establishment of a new learning community.

4 (2) Each achievement subcouncil shall submit a plan to the learning
5 community coordinating council for any elementary learning center in its
6 subcouncil district and the services to be provided by such elementary
7 learning center. In developing the plan, the achievement subcouncil shall
8 seek input from community resources and collaborate with such resources
9 in order to maximize the available opportunities and the participation of
10 elementary students and their families. An achievement subcouncil may, as
11 part of such plan, recommend services be provided through contracts with,
12 or grants to, entities other than school districts to provide some or all
13 of the services. Such entities may include collaborative groups which may
14 include the participation of a school district. An achievement subcouncil
15 may also, as part of such plan, recommend that the elementary learning
16 center serve as a clearinghouse for recommending programs provided by
17 school districts or other entities and that the elementary learning
18 center assist students in accessing such programs. The plans for the
19 initial elementary learning centers shall be submitted by the achievement
20 subcouncils to the coordinating council on or before January 1
21 immediately following the establishment of a new learning community.

22 (3) Each elementary learning center shall have at least one facility
23 that is located in an area with a high concentration of poverty. Such
24 facility may be owned or leased by the learning community, or the use of
25 the facility may be donated to the learning community. Programs offered
26 by the elementary learning center may be offered in such facility or in
27 other facilities, including school buildings.

28 Sec. 29. Section 79-2115, Reissue Revised Statutes of Nebraska, is
29 amended to read:

30 79-2115 (1) Learning community funds distributed pursuant to section
31 79-2103 may be used by the learning community coordinating council

1 receiving the funds for:

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

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

5 (c) Supplements for extended hours to teachers in elementary schools
6 in which at least thirty-five percent of the students attending the
7 school who reside in the attendance area of such school qualify for free
8 or reduced-price lunches and elementary schools that provide free meals
9 to all students pursuant to the community eligibility provision;

10 (d) Transportation to elementary school functions for parents of
11 elementary students who qualify for free or reduced-price lunches or who
12 attend an elementary school that provides free meals to all students
13 pursuant to the community eligibility provision ~~to school functions of~~
14 ~~such students in elementary schools;~~

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

17 (f) Pilot projects authorized pursuant to section 79-2104.

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

25 (3) Each learning community coordinating council shall provide for
26 financial audits of elementary learning centers and pilot projects. A
27 learning community coordinating council shall serve as the recipient of
28 private funds donated to support any elementary learning center or pilot
29 project receiving funds from such learning community coordinating council
30 and shall assure that the use of such private funds is included in the
31 financial audits required pursuant to this section.

1 Sec. 30. Section 79-2120, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 79-2120 On or before March 1, 2009, and February 1 of each year
4 thereafter, for purposes of subsection (3) of section 79-238 and sections
5 79-611 and 79-2110, the State Department of Education shall certify to
6 each learning community and each member school district the average
7 percentage of students qualifying for free or reduced-price lunches in
8 each school building in each member school district and in the aggregate
9 for all school buildings in the learning community based on the most
10 current information available to the department on the immediately
11 preceding January 1. For purposes of this section, the average percentage
12 of students qualifying for free or reduced-price lunches in school
13 buildings that provide free meals to all students pursuant to the
14 community eligibility provision shall equal the identified student
15 percentage calculated pursuant to the community eligibility provision.
16 The State Board of Education may adopt and promulgate rules and
17 regulations to carry out this section.

18 Sec. 31. Section 79-2204, Reissue Revised Statutes of Nebraska, is
19 amended to read:

20 79-2204 (1) The State Council on Educational Opportunity for
21 Military Children is created within the department. The council shall
22 consist of:

23 (a) The following ex officio members:

24 (i) The Commissioner of Education;

25 (ii) The chairperson of the Education Committee of the Legislature,
26 who shall serve as a nonvoting member of the council;

27 (iii) The compact commissioner appointed pursuant to section
28 79-2205; and

29 (iv) The military family education liaison, who shall serve as a
30 member of the council after his or her appointment pursuant to subsection
31 (3) of this section; and

1 (b) The following members appointed by the State Board of Education:

2 (i) The superintendent of a school district that has a high
3 concentration of children of military families; and

4 (ii) A representative of a military installation located in this
5 state.

6 (2) The members of the council appointed by the State Board of
7 Education shall serve three-year terms. Vacancies in the council shall be
8 filled in the same manner as the initial appointments. The members of the
9 council shall be reimbursed for their actual and necessary expenses as
10 provided in sections 81-1174 to 81-1177.

11 (3) The council shall have the following duties:

12 (a) To advise the department with regard to the state's
13 participation in and compliance with the Interstate Compact on
14 Educational Opportunity for Military Children; and

15 (b) To appoint a military family education liaison to assist
16 families and the state in implementing the compact.

17 (4) When the council holds a single meeting in a calendar year, that
18 meeting may be held by videoconferencing notwithstanding subdivision (2)
19 (e) of section 84-1411.

20 Sec. 32. Section 79-2205, Reissue Revised Statutes of Nebraska, is
21 amended to read:

22 79-2205 A ~~The~~ deputy commissioner of education as designated by the
23 Commissioner of Education shall serve as the compact commissioner and
24 shall be responsible for administering the state's participation in the
25 Interstate Compact on Educational Opportunity for Military Children.

26 Sec. 33. Section 85-2102, Reissue Revised Statutes of Nebraska, is
27 amended to read:

28 85-2102 For purposes of the Access College Early Scholarship Program
29 Act:

30 (1) Career program of study means a sequence of at least three high
31 school courses that (a) may include dual-credit or college credit

1 courses, (b) are part of a career pathway program of study aligned with
2 (i) the rules and regulations of the State Department of Education
3 adopted and promulgated pursuant to section 79-777, (ii) a professional
4 certification requirement, or (iii) the requirements for a postsecondary
5 certification or diploma, and (c) have at least one local member of
6 business or industry partnering as an official advisor to the program;

7 (2 1) Commission means the Coordinating Commission for Postsecondary
8 Education;

9 (3 2) Extreme hardship means any event, including fire, illness,
10 accident, or job loss, that has recently resulted in a significant
11 financial difficulty for a student or the student's parent or legal
12 guardian;

13 (4 3) Postsecondary educational institution means a two-year or
14 four-year college or university which is a member institution of an
15 accrediting body recognized by the United States Department of Education;

16 (5 4) Qualified postsecondary educational institution means a
17 postsecondary educational institution located in Nebraska which has
18 agreed, on a form developed and provided by the commission, to comply
19 with the requirements of the act; and

20 (6 5) Student means a student attending a Nebraska high school with
21 a reasonable expectation that such student will meet the residency
22 requirements of section 85-502 upon graduation from a Nebraska high
23 school.

24 Sec. 34. Section 85-2104, Reissue Revised Statutes of Nebraska, is
25 amended to read:

26 85-2104 Applications for the Access College Early Scholarship
27 Program shall be prioritized for students qualifying pursuant to
28 subdivision (1) or (2) of this section, and applications for students
29 qualifying only pursuant to subdivision (3) of this section shall only be
30 considered if funds are available after fulfilling the applications for
31 students qualifying pursuant to subdivision (1) or (2) of this section.

1 Priority dates shall be determined by the commission on a term basis. A
2 student who is applying to take one or more courses for credit from a
3 qualified postsecondary educational institution is eligible for the
4 Access College Early Scholarship Program if:

5 (1) Such student or the student's parent or legal guardian is
6 eligible to receive:

7 (a) Supplemental Security Income;

8 (b) Supplemental Nutrition Assistance Program benefits;

9 (c) Free or reduced-price lunches under United States Department of
10 Agriculture child nutrition programs;

11 (d) Aid to families with dependent children; or

12 (e) Assistance under the Special Supplemental Nutrition Program for
13 Women, Infants, and Children; ~~or~~

14 (2) The student or the student's parent or legal guardian has
15 experienced an extreme hardship; or ~~-~~

16 (3) Such student is requesting assistance pursuant to the program to
17 cover the cost of tuition and fees for a course that is part of a career
18 plan of study, up to two hundred fifty dollars per term, and the
19 student's family has an annual household income at or below two hundred
20 percent of the federal poverty level.

21 Sec. 35. Original sections 79-101, 79-215, 79-2,144, 79-301,
22 79-308, 79-309.01, 79-318, 79-420, 79-760.01, 79-760.02, 79-760.06,
23 79-761, 79-8,137, 79-8,137.04, 79-1003, 79-1003.01, 79-1007.06,
24 79-1007.07, 79-1013, 79-1018.01, 79-1028.01, 79-1035, 79-1205, 79-1315,
25 79-2110, 79-2113, 79-2115, 79-2120, 79-2204, 79-2205, 85-2102, and
26 85-2104, Reissue Revised Statutes of Nebraska, and section 71-1962,
27 Revised Statutes Cumulative Supplement, 2014, are repealed.