

AMENDMENTS TO LB1131

Introduced by Education.

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

3           Section 1. Section 1-116, Revised Statutes Cumulative Supplement,  
4 2018, is amended to read:

5           1-116 Prior to January 1, 1998, a person shall be eligible to take  
6 the examination described in section 1-114 if he or she meets the  
7 requirements of subdivision (1)(a) of section 1-114.

8           Any person making initial application on or after January 1, 1998,  
9 to take the examination described in section 1-114 shall be eligible to  
10 take the examination if he or she has completed at least one hundred  
11 fifty semester hours or two hundred twenty-five quarter hours of  
12 postsecondary academic credit and has earned a baccalaureate or higher  
13 degree from a college or university accredited by an ~~a regional~~  
14 accrediting agency recognized by the United States Department of  
15 Education or a similar agency as determined to be acceptable by the  
16 board. The person shall demonstrate that accounting, auditing, business,  
17 and other subjects at the appropriate academic level as required by the  
18 board are included within the required hours of postsecondary academic  
19 credit. A person who expects to complete the postsecondary academic  
20 credit and earn the degree as required by this section within sixty days  
21 following when the examination is held shall be eligible to take such  
22 examination, but such person shall not receive any credit for such  
23 examination unless evidence satisfactory to the board showing that such  
24 person has completed the postsecondary academic credit and earned the  
25 degree as required by this section is received by the board within ninety  
26 days following when the examination is held. The board shall not  
27 prescribe the specific curricula of colleges or universities. If the

1 applicant is an individual, the application shall include the applicant's  
2 social security number.

3 Sec. 2. Section 38-316, Reissue Revised Statutes of Nebraska, is  
4 amended to read:

5 38-316 (1) To be licensed to practice as an alcohol and drug  
6 counselor, an applicant shall meet the requirements for licensure as a  
7 provisional alcohol and drug counselor under section 38-314, shall  
8 receive a passing score on an examination approved by the board, and  
9 shall have six thousand hours of supervised clinical work experience  
10 providing alcohol and drug counseling services to alcohol and other drug  
11 clients for remuneration. The experience shall be polydrug counseling  
12 experience.

13 (2) The experience shall include carrying a client caseload as the  
14 primary alcohol and drug counselor performing the core functions of  
15 assessment, treatment planning, counseling, case management, referral,  
16 reports and record keeping, and consultation with other professionals for  
17 those clients. The experience shall also include responsibility for  
18 performance of the five remaining core functions although these core  
19 functions need not be performed by the applicant with each client in  
20 their caseload.

21 (3) Experience that shall not count towards licensure shall include,  
22 but not be limited to:

23 (a) Providing services to individuals who do not have a diagnosis of  
24 alcohol and drug abuse or dependence such as prevention, intervention,  
25 and codependency services or other mental health disorder counseling  
26 services, except that this shall not exclude counseling services provided  
27 to a client's significant others when provided in the context of  
28 treatment for the diagnosed alcohol or drug client; and

29 (b) Providing services when the experience does not include primary  
30 case responsibility for alcohol or drug treatment or does not include  
31 responsibility for the performance of all of the core functions.

1 (4) The maximum number of hours of experience that may be accrued  
2 are forty hours per week or two thousand hours per year.

3 (5)(a) A postsecondary educational degree may be substituted for  
4 part of the supervised clinical work experience. The degree shall be from  
5 ~~an a regionally~~ accredited postsecondary educational institution or the  
6 educational program ~~shall be accredited by a nationally recognized~~  
7 ~~accreditation agency.~~

8 (b) An associate's degree in addictions or chemical dependency may  
9 be substituted for one thousand hours of supervised clinical work  
10 experience.

11 (c) A bachelor's degree with a major in counseling, addictions,  
12 social work, sociology, or psychology may be substituted for two thousand  
13 hours of supervised clinical work experience.

14 (d) A master's degree or higher in counseling, addictions, social  
15 work, sociology, or psychology may be substituted for four thousand hours  
16 of supervised clinical work experience.

17 (e) A substitution shall not be made for more than one degree.

18 Sec. 3. Section 38-10,109, Reissue Revised Statutes of Nebraska, is  
19 amended to read:

20 38-10,109 (1) The procedure for renewing a school license shall be  
21 in accordance with section 38-143, except that in addition to all other  
22 requirements, the school of cosmetology or school of esthetics shall  
23 provide evidence of minimal property damage, bodily injury, and liability  
24 insurance coverage and shall receive a satisfactory rating on an  
25 accreditation inspection conducted by the department within the six  
26 months immediately prior to the date of license renewal.

27 (2) Any school of cosmetology or school of esthetics which has  
28 current accreditation from ~~an a national~~ accrediting organization  
29 approved by the board shall be considered to satisfy the accreditation  
30 requirements outlined in this section, except that successful completion  
31 of an operation inspection shall be required. Each school of cosmetology

1 or school of esthetics, whether or not it is nationally accredited, shall  
2 satisfy all curriculum and sanitation requirements outlined in the  
3 Cosmetology, Electrology, Esthetics, Nail Technology, and Body Art  
4 Practice Act to maintain its license.

5 (3) Any school not able to meet the requirements for license renewal  
6 shall have its license placed on inactive status until all deficiencies  
7 have been corrected, and the school shall not operate in any manner  
8 during the time its license is inactive. If the deficiencies are not  
9 corrected within six months of the date of license renewal, the license  
10 may be revoked unless the department approves an extension of the time  
11 limit. The license of a school that has been revoked or expired for any  
12 reason shall not be reinstated. An original application for licensure  
13 shall be submitted and approved before such school may reopen.

14 Sec. 4. Section 38-1813, Reissue Revised Statutes of Nebraska, is  
15 amended to read:

16 38-1813 A person shall be qualified to be a licensed medical  
17 nutrition therapist if such person furnishes evidence that he or she:

18 (1) Has met the requirements for and is a registered dietitian by  
19 the American Dietetic Association or an equivalent entity recognized by  
20 the board;

21 (2)(a) Has satisfactorily passed an examination approved by the  
22 board;

23 (b) Has received a baccalaureate degree from an accredited college  
24 or university with a major course of study in human nutrition, food and  
25 nutrition, dietetics, or an equivalent major course of study approved by  
26 the board; and

27 (c) Has satisfactorily completed a program of supervised clinical  
28 experience approved by the department. Such clinical experience shall  
29 consist of not less than nine hundred hours of a planned continuous  
30 experience in human nutrition, food and nutrition, or dietetics under the  
31 supervision of an individual meeting the qualifications of this section;

1 or

2 (3)(a) Has satisfactorily passed an examination approved by the  
3 board; and

4 (b)(i) Has received a master's or doctorate degree from an  
5 accredited college or university in human nutrition, nutrition education,  
6 food and nutrition, or public health nutrition or in an equivalent major  
7 course of study approved by the board; or

8 (ii) Has received a master's or doctorate degree from an accredited  
9 college or university which includes a major course of study in clinical  
10 nutrition. Such course of study shall consist of not less than a combined  
11 two hundred hours of biochemistry and physiology and not less than  
12 seventy-five hours in human nutrition.

13 For purposes of this section, accredited college or university means  
14 an institution currently listed with the United States Secretary of  
15 Education as accredited. Applicants who have obtained their education  
16 outside of the United States and its territories shall have their  
17 academic degrees validated as equivalent to a baccalaureate or master's  
18 degree conferred by a United States ~~regionally~~ accredited college or  
19 university.

20 The practice of medical nutrition therapy shall be performed under  
21 the consultation of a physician licensed pursuant to section 38-2026 or  
22 sections 38-2029 to 38-2033.

23 Sec. 5. Section 38-2613, Reissue Revised Statutes of Nebraska, is  
24 amended to read:

25 38-2613 (1) An optometrist licensed in this state may use topical  
26 ocular pharmaceutical agents for diagnostic purposes authorized under  
27 subdivision (1)(b) of section 38-2605, if such person is certified by the  
28 department, with the recommendation of the board, as qualified to use  
29 topical ocular pharmaceutical agents for diagnostic purposes.

30 (2) Such certification shall require (a) satisfactory completion of  
31 a pharmacology course at an institution accredited by an ~~a regional~~ or

1 ~~professional~~ accrediting organization which is recognized by the United  
2 States Department of Education and approved by the board and passage of  
3 an examination approved by the board or (b) evidence provided by the  
4 optometrist of certification in another state for use of diagnostic  
5 pharmaceutical agents which is deemed by the board as satisfactory  
6 validation of such qualifications.

7 Sec. 6. Section 38-2616, Reissue Revised Statutes of Nebraska, is  
8 amended to read:

9 38-2616 No school of optometry shall be approved by the board as an  
10 accredited school unless the school is accredited by an ~~a regional or~~  
11 ~~professional~~ accrediting organization which is recognized by the United  
12 States Department of Education.

13 Sec. 7. Section 38-3106, Reissue Revised Statutes of Nebraska, is  
14 amended to read:

15 38-3106 Institution of higher education means a university,  
16 professional school, or other institution of higher learning that:

17 (1) In the United States, is ~~regionally~~ accredited by an ~~a regional~~  
18 ~~or professional~~ accrediting organization recognized by the United States  
19 Department of Education;

20 (2) In Canada, holds a membership in the Association of Universities  
21 and Colleges of Canada; or

22 (3) In other countries, is accredited by the respective official  
23 organization having such authority.

24 Sec. 8. Section 38-3901, Revised Statutes Cumulative Supplement,  
25 2018, is amended to read:

26 38-3901 The State of Nebraska adopts the Psychology  
27 Interjurisdictional Compact substantially as follows:

28 ARTICLE I

29 PURPOSE

30 States license psychologists in order to protect the public through  
31 verification of education, training, and experience and ensure

1 accountability for professional practice.

2 The Psychology Interjurisdictional Compact is intended to regulate  
3 the day-to-day practice of telepsychology, the provision of psychological  
4 services using telecommunication technologies, by psychologists across  
5 state boundaries in the performance of their psychological practice as  
6 assigned by an appropriate authority.

7 The Compact is intended to regulate the temporary in-person, face-  
8 to-face practice of psychology by psychologists across state boundaries  
9 for thirty days within a calendar year in the performance of their  
10 psychological practice as assigned by an appropriate authority.

11 The Compact is intended to authorize state psychology regulatory  
12 authorities to afford legal recognition, in a manner consistent with the  
13 terms of the Compact, to psychologists licensed in another state.

14 The Compact recognizes that states have a vested interest in  
15 protecting the public's health and safety through licensing and  
16 regulation of psychologists and that such state regulation will best  
17 protect public health and safety.

18 The Compact does not apply when a psychologist is licensed in both  
19 the home and receiving states.

20 The Compact does not apply to permanent in-person, face-to-face  
21 practice; it does allow for authorization of temporary psychological  
22 practice.

23 Consistent with these principles, the Compact is designed to achieve  
24 the following purposes and objectives:

25 1. Increase public access to professional psychological services by  
26 allowing for telepsychological practice across state lines as well as  
27 temporary in-person, face-to-face services into a state which the  
28 psychologist is not licensed to practice psychology;

29 2. Enhance the states' ability to protect the public's health and  
30 safety, especially client or patient safety;

31 3. Encourage the cooperation of compact states in the areas of

1 psychology licensure and regulation;

2 4. Facilitate the exchange of information between compact states  
3 regarding psychologist licensure, adverse actions, and disciplinary  
4 history;

5 5. Promote compliance with the laws governing psychological practice  
6 in each compact state; and

7 6. Invest all compact states with the authority to hold licensed  
8 psychologists accountable through the mutual recognition of compact state  
9 licenses.

10 ARTICLE II

11 DEFINITIONS

12 A. Adverse action means any action taken by a state psychology  
13 regulatory authority which finds a violation of a statute or regulation  
14 that is identified by the state psychology regulatory authority as  
15 discipline and is a matter of public record.

16 B. Association of State and Provincial Psychology Boards means the  
17 recognized membership organization composed of State and Provincial  
18 Psychology Regulatory Authorities responsible for the licensure and  
19 registration of psychologists throughout the United States and Canada.

20 C. Authority to practice interjurisdictional telepsychology means a  
21 licensed psychologist's authority to practice telepsychology, within the  
22 limits authorized under the Psychology Interjurisdictional Compact, in  
23 another compact state.

24 D. Bylaws means those bylaws established by the Commission pursuant  
25 to Article X for its governance, or for directing and controlling its  
26 actions and conduct.

27 E. Client or patient means the recipient of psychological services,  
28 whether psychological services are delivered in the context of  
29 healthcare, corporate, supervision, and/or consulting services.

30 F. Commission means the Psychology Interjurisdictional Compact  
31 Commission which is the national administration of which all compact

1 states are members.

2 G. Commissioner means the voting representative appointed by each  
3 state psychology regulatory authority pursuant to Article X.

4 H. Compact state means a state, the District of Columbia, or a  
5 United States territory that has enacted the Compact and which has not  
6 withdrawn pursuant to Article XIII, subsection C or been terminated  
7 pursuant to Article XII, subsection B.

8 I. Coordinated Licensure Information System means an integrated  
9 process for collecting, storing, and sharing information on  
10 psychologists' licensure and enforcement activities related to psychology  
11 licensure laws, which is administered by the recognized membership  
12 organization composed of state and provincial psychology regulatory  
13 authorities.

14 J. Confidentiality means the principle that data or information is  
15 not made available or disclosed to unauthorized persons or processes.

16 K. Day means any part of a day in which psychological work is  
17 performed.

18 L. Distant state means the compact state where a psychologist is  
19 physically present, not through using telecommunications technologies, to  
20 provide temporary in-person, face-to-face psychological services.

21 M. E.Passport means a certificate issued by the Association of State  
22 and Provincial Psychology Boards that promotes the standardization in the  
23 criteria of interjurisdictional telepsychology practice and facilitates  
24 the process for licensed psychologists to provide telepsychological  
25 services across state lines.

26 N. Executive board means a group of directors elected or appointed  
27 to act on behalf of, and within the powers granted to them by, the  
28 commission.

29 O. Home state means a compact state where a psychologist is licensed  
30 to practice psychology. If the psychologist is licensed in more than one  
31 compact state and is practicing under the authorization to practice

1 interjurisdictional telepsychology, the home state is the compact state  
2 where the psychologist is physically present when the telepsychology  
3 services are delivered. If the psychologist is licensed in more than one  
4 compact state and is practicing under the temporary authorization to  
5 practice, the home state is any compact state where the psychologist is  
6 licensed.

7 P. Identity history summary means a summary of information retained  
8 by the Federal Bureau of Investigation, or other designee with similar  
9 authority, in connection with arrests and, in some instances, federal  
10 employment, naturalization, or military service.

11 Q. In-person, face-to-face means interactions in which the  
12 psychologist and the client or patient are in the same physical space and  
13 which does not include interactions that may occur through the use of  
14 telecommunication technologies.

15 R. Interjurisdictional Practice Certificate means a certificate  
16 issued by the Association of State and Provincial Psychology Boards that  
17 grants temporary authority to practice based on notification to the state  
18 psychology regulatory authority of intention to practice temporarily and  
19 verification of one's qualifications for such practice.

20 S. License means authorization by a state psychology regulatory  
21 authority to engage in the independent practice of psychology, which  
22 would be unlawful without the authorization.

23 T. Noncompact state means any state which is not at the time a  
24 compact state.

25 U. Psychologist means an individual licensed for the independent  
26 practice of psychology.

27 V. Receiving state means a compact state where the client or patient  
28 is physically located when the telepsychology services are delivered.

29 W. Rule means a written statement by the Commission promulgated  
30 pursuant to Article XI that is of general applicability, implements,  
31 interprets, or prescribes a policy or provision of the Compact, or an

1 organizational, procedural, or practice requirement of the Commission and  
2 has the force and effect of statutory law in a compact state, and  
3 includes the amendment, repeal, or suspension of an existing rule.

4 X. Significant investigatory information means:

5 1. Investigative information that a state psychology regulatory  
6 authority, after a preliminary inquiry that includes notification and an  
7 opportunity to respond if required by state law, has reason to believe,  
8 if proven true, would indicate more than a violation of state statute or  
9 ethics code that would be considered more substantial than minor  
10 infraction; or

11 2. Investigative information that indicates that the psychologist  
12 represents an immediate threat to public health and safety regardless of  
13 whether the psychologist has been notified or had an opportunity to  
14 respond.

15 Y. State means a state, commonwealth, territory, or possession of  
16 the United States or the District of Columbia.

17 Z. State psychology regulatory authority means the board, office, or  
18 other agency with the legislative mandate to license and regulate the  
19 practice of psychology.

20 AA. Telepsychology means the provision of psychological services  
21 using telecommunication technologies.

22 BB. Temporary authorization to practice means a licensed  
23 psychologist's authority to conduct temporary in-person, face-to-face  
24 practice, within the limits authorized under the Compact, in another  
25 compact state.

26 CC. Temporary in-person, face-to-face practice means the practice of  
27 psychology in which a psychologist is physically present, not through  
28 using telecommunications technologies, in the distant state to provide  
29 for the practice of psychology for thirty days within a calendar year and  
30 based on notification to the distant state.

31 ARTICLE III

1 HOME STATE LICENSURE

2 A. The home state shall be a compact state where a psychologist is  
3 licensed to practice psychology.

4 B. A psychologist may hold one or more compact state licenses at a  
5 time. If the psychologist is licensed in more than one compact state, the  
6 home state is the compact state where the psychologist is physically  
7 present when the services are delivered as authorized by the authority to  
8 practice interjurisdictional telepsychology under the terms of the  
9 Psychology Interjurisdictional Compact.

10 C. Any compact state may require a psychologist not previously  
11 licensed in a compact state to obtain and retain a license to be  
12 authorized to practice in the compact state under circumstances not  
13 authorized by the authority to practice interjurisdictional  
14 telepsychology under the terms of the Psychology Interjurisdictional  
15 Compact.

16 D. Any compact state may require a psychologist to obtain and retain  
17 a license to be authorized to practice in a compact state under  
18 circumstances not authorized by temporary authorization to practice under  
19 the terms of the Compact.

20 E. A home state's license authorizes a psychologist to practice in a  
21 receiving state under the authority to practice interjurisdictional  
22 telepsychology only if the compact state:

23 1. Currently requires the psychologist to hold an active E.Passport;  
24 2. Has a mechanism in place for receiving and investigating  
25 complaints about licensed individuals;

26 3. Notifies the Commission, in compliance with the terms of the  
27 Compact, of any adverse action or significant investigatory information  
28 regarding a licensed individual;

29 4. Requires an identity history summary of all applicants at initial  
30 licensure, including the use of the results of fingerprints or other  
31 biometric data checks compliant with the requirements of the Federal

1 Bureau of Investigation, or other designee with similar authority, no  
2 later than ten years after activation of the Compact; and

3 5. Complies with the bylaws and rules of the Commission.

4 F. A home state's license grants temporary authorization to practice  
5 to a psychologist in a distant state only if the compact state:

6 1. Currently requires the psychologist to hold an active  
7 Interjurisdictional Practice Certificate;

8 2. Has a mechanism in place for receiving and investigating  
9 complaints about licensed individuals;

10 3. Notifies the Commission, in compliance with the terms of the  
11 Compact, of any adverse action or significant investigatory information  
12 regarding a licensed individual;

13 4. Requires an identity history summary of all applicants at initial  
14 licensure, including the use of the results of fingerprints or other  
15 biometric data checks compliant with the requirements of the Federal  
16 Bureau of Investigation, or other designee with similar authority, no  
17 later than ten years after activation of the Compact; and

18 5. Complies with the bylaws and rules of the Commission.

19 ARTICLE IV

20 COMPACT PRIVILEGE TO PRACTICE TELEPSYCHOLOGY

21 A. Compact states shall recognize the right of a psychologist,  
22 licensed in a compact state in conformance with Article III, to practice  
23 telepsychology in other compact states (receiving states) in which the  
24 psychologist is not licensed, under the authority to practice  
25 interjurisdictional telepsychology as provided in the Psychology  
26 Interjurisdictional Compact.

27 B. To exercise the authority to practice interjurisdictional  
28 telepsychology under the terms and provisions of the Compact, a  
29 psychologist licensed to practice in a compact state must:

30 1. Hold a graduate degree in psychology from an institute of higher  
31 education that was, at the time the degree was awarded:

1           a. Accredited Regionally—accredited by an accrediting body  
2 recognized by the United States Department of Education to grant graduate  
3 degrees, or authorized by provincial statute or Royal Charter to grant  
4 doctoral degrees; or

5           b. A foreign college or university deemed to be equivalent to  
6 subdivision 1a of this subsection by a foreign credential evaluation  
7 service that is a member of the National Association of Credential  
8 Evaluation Services or by a recognized foreign credential evaluation  
9 service; and

10          2. Hold a graduate degree in psychology that meets the following  
11 criteria:

12           a. The program, wherever it may be administratively housed, must be  
13 clearly identified and labeled as a psychology program. Such a program  
14 must specify in pertinent institutional catalogues and brochures its  
15 intent to educate and train professional psychologists;

16           b. The psychology program must stand as a recognizable, coherent,  
17 organizational entity within the institution;

18           c. There must be a clear authority and primary responsibility for  
19 the core and specialty areas whether or not the program cuts across  
20 administrative lines;

21           d. The program must consist of an integrated, organized sequence of  
22 study;

23           e. There must be an identifiable psychology faculty sufficient in  
24 size and breadth to carry out its responsibilities;

25           f. The designated director of the program must be a psychologist and  
26 a member of the core faculty;

27           g. The program must have an identifiable body of students who are  
28 matriculated in that program for a degree;

29           h. The program must include supervised practicum, internship, or  
30 field training appropriate to the practice of psychology;

31           i. The curriculum shall encompass a minimum of three academic years

1 of full-time graduate study for doctoral degrees and a minimum of one  
2 academic year of full-time graduate study for master's degrees;

3 j. The program includes an acceptable residency as defined by the  
4 rules of the Commission.

5 3. Possess a current, full, and unrestricted license to practice  
6 psychology in a home state which is a compact state;

7 4. Have no history of adverse action that violates the rules of the  
8 Commission;

9 5. Have no criminal record history reported on an identity history  
10 summary that violates the rules of the Commission;

11 6. Possess a current, active E.Passport;

12 7. Provide attestations in regard to areas of intended practice,  
13 conformity with standards of practice, competence in telepsychology  
14 technology; criminal background; and knowledge and adherence to legal  
15 requirements in the home and receiving states, and provide a release of  
16 information to allow for primary source verification in a manner  
17 specified by the Commission; and

18 8. Meet other criteria as defined by the rules of the Commission.

19 C. The home state maintains authority over the license of any  
20 psychologist practicing into a receiving state under the authority to  
21 practice interjurisdictional telepsychology.

22 D. A psychologist practicing into a receiving state under the  
23 authority to practice interjurisdictional telepsychology will be subject  
24 to the receiving state's authority and laws. A receiving state may, in  
25 accordance with that state's due process law, limit or revoke a  
26 psychologist's authority to practice interjurisdictional telepsychology  
27 in the receiving state and may take any other necessary actions under the  
28 receiving state's applicable law to protect the health and safety of the  
29 receiving state's citizens. If a receiving state takes action, the state  
30 shall promptly notify the home state and the Commission.

31 E. If a psychologist's license in any home state, another compact

1 state, or any authority to practice interjurisdictional telepsychology in  
2 any receiving state, is restricted, suspended, or otherwise limited, the  
3 E.Passport shall be revoked and therefor the psychologist shall not be  
4 eligible to practice telepsychology in a compact state under the  
5 authority to practice interjurisdictional telepsychology.

6 ARTICLE V

7 COMPACT TEMPORARY AUTHORIZATION TO PRACTICE

8 A. Compact states shall also recognize the right of a psychologist,  
9 licensed in a compact state in conformance with Article III, to practice  
10 temporarily in other compact states (distant states) in which the  
11 psychologist is not licensed, as provided in the Psychology  
12 Interjurisdictional Compact.

13 B. To exercise the temporary authorization to practice under the  
14 terms and provisions of the Compact, a psychologist licensed to practice  
15 in a compact state must:

16 1. Hold a graduate degree in psychology from an institute of higher  
17 education that was, at the time the degree was awarded:

18 a. Accredited ~~Regionally accredited~~ by an accrediting body  
19 recognized by the United States Department of Education to grant graduate  
20 degrees, or authorized by provincial statute or Royal Charter to grant  
21 doctoral degrees; or

22 b. A foreign college or university deemed to be equivalent to  
23 subdivision 1a of this subsection by a foreign credential evaluation  
24 service that is a member of the National Association of Credential  
25 Evaluation Services or by a recognized foreign credential evaluation  
26 service; and

27 2. Hold a graduate degree in psychology that meets the following  
28 criteria:

29 a. The program, wherever it may be administratively housed, must be  
30 clearly identified and labeled as a psychology program. Such a program  
31 must specify in pertinent institutional catalogues and brochures its

1 intent to educate and train professional psychologists;

2 b. The psychology program must stand as a recognizable, coherent,  
3 organizational entity within the institution;

4 c. There must be a clear authority and primary responsibility for  
5 the core and specialty areas whether or not the program cuts across  
6 administrative lines;

7 d. The program must consist of an integrated, organized sequence of  
8 study;

9 e. There must be an identifiable psychology faculty sufficient in  
10 size and breadth to carry out its responsibilities;

11 f. The designated director of the program must be a psychologist and  
12 a member of the core faculty;

13 g. The program must have an identifiable body of students who are  
14 matriculated in that program for a degree;

15 h. The program must include supervised practicum, internship, or  
16 field training appropriate to the practice of psychology;

17 i. The curriculum shall encompass a minimum of three academic years  
18 of full-time graduate study for doctoral degrees and a minimum of one  
19 academic year of full-time graduate study for master's degrees;

20 j. The program includes an acceptable residency as defined by the  
21 rules of the Commission.

22 3. Possess a current, full, and unrestricted license to practice  
23 psychology in a home state which is a compact state;

24 4. No history of adverse action that violates the rules of the  
25 Commission;

26 5. No criminal record history that violates the rules of the  
27 Commission;

28 6. Possess a current, active Interjurisdictional Practice  
29 Certificate;

30 7. Provide attestations in regard to areas of intended practice and  
31 work experience and provide a release of information to allow for primary

1 source verification in a manner specified by the Commission; and

2 8. Meet other criteria as defined by the rules of the Commission.

3 C. A psychologist practicing into a distant state under the  
4 temporary authorization to practice shall practice within the scope of  
5 practice authorized by the distant state.

6 D. A psychologist practicing into a distant state under the  
7 temporary authorization to practice will be subject to the distant  
8 state's authority and law. A distant state may, in accordance with that  
9 state's due process law, limit or revoke a psychologist's temporary  
10 authorization to practice in the distant state and may take any other  
11 necessary actions under the distant state's applicable law to protect the  
12 health and safety of the distant state's citizens. If a distant state  
13 takes action, the state shall promptly notify the home state and the  
14 Commission.

15 E. If a psychologist's license in any home state, another compact  
16 state, or any temporary authorization to practice in any distant state,  
17 is restricted, suspended, or otherwise limited, the Interjurisdictional  
18 Practice Certificate shall be revoked and therefor the psychologist shall  
19 not be eligible to practice in a compact state under the temporary  
20 authorization to practice.

21 ARTICLE VI

22 CONDITIONS OF TELEPSYCHOLOGY PRACTICE IN A RECEIVING STATE

23 A psychologist may practice in a receiving state under the authority  
24 to practice interjurisdictional telepsychology only in the performance of  
25 the scope of practice for psychology as assigned by an appropriate state  
26 psychology regulatory authority, as defined in the rules of the  
27 Commission, and under the following circumstances:

28 1. The psychologist initiates a client or patient contact in a home  
29 state via telecommunications technologies with a client or patient in a  
30 receiving state;

31 2. Other conditions regarding telepsychology as determined by rules

1 promulgated by the Commission.

2 ARTICLE VII

3 ADVERSE ACTIONS

4 A. A home state shall have the power to impose adverse action  
5 against a psychologist's license issued by the home state. A distant  
6 state shall have the power to take adverse action on a psychologist's  
7 temporary authorization to practice within that distant state.

8 B. A receiving state may take adverse action on a psychologist's  
9 authority to practice interjurisdictional telepsychology within that  
10 receiving state. A home state may take adverse action against a  
11 psychologist based on an adverse action taken by a distant state  
12 regarding temporary in-person, face-to-face practice.

13 C. If a home state takes adverse action against a psychologist's  
14 license, that psychologist's authority to practice interjurisdictional  
15 telepsychology is terminated and the E.Passport is revoked. Furthermore,  
16 that psychologist's temporary authorization to practice is terminated and  
17 the Interjurisdictional Practice Certificate is revoked.

18 1. All home state disciplinary orders which impose adverse action  
19 shall be reported to the Commission in accordance with the rules  
20 promulgated by the Commission. A compact state shall report adverse  
21 actions in accordance with the rules of the Commission.

22 2. In the event discipline is reported on a psychologist, the  
23 psychologist will not be eligible for telepsychology or temporary in-  
24 person, face-to-face practice in accordance with the rules of the  
25 Commission.

26 3. Other actions may be imposed as determined by the rules  
27 promulgated by the Commission.

28 D. A home state's state psychology regulatory authority shall  
29 investigate and take appropriate action with respect to reported  
30 inappropriate conduct engaged in by a licensee which occurred in a  
31 receiving state as it would if such conduct had occurred by a licensee

1 within the home state. In such cases, the home state's law shall control  
2 in determining any adverse action against a psychologist's license.

3 E. A distant state's state psychology regulatory authority shall  
4 investigate and take appropriate action with respect to reported  
5 inappropriate conduct engaged in by a psychologist practicing under  
6 temporary authorization practice which occurred in that distant state as  
7 it would if such conduct had occurred by a licensee within the home  
8 state. In such cases, distant state's law shall control in determining  
9 any adverse action against a psychologist's temporary authorization to  
10 practice.

11 F. Nothing in the Psychology Interjurisdictional Compact shall  
12 override a compact state's decision that a psychologist's participation  
13 in an alternative program may be used in lieu of adverse action and that  
14 such participation shall remain nonpublic if required by the compact  
15 state's law. Compact states must require psychologists who enter any  
16 alternative programs to not provide telepsychology services under the  
17 authority to practice interjurisdictional telepsychology or provide  
18 temporary psychological services under the temporary authorization to  
19 practice in any other compact state during the term of the alternative  
20 program.

21 G. No other judicial or administrative remedies shall be available  
22 to a psychologist in the event a compact state imposes an adverse action  
23 pursuant to subsection C of this Article.

24 ARTICLE VIII

25 ADDITIONAL AUTHORITIES INVESTED IN A COMPACT STATE'S STATE  
26 PSYCHOLOGY REGULATORY AUTHORITY

27 In addition to any other powers granted under state law, a compact  
28 state's state psychology regulatory authority shall have the authority  
29 under the Psychology Interjurisdictional Compact to:

30 1. Issue subpoenas, for both hearings and investigations, which  
31 require the attendance and testimony of witnesses and the production of

1 evidence. Subpoenas issued by a compact state's state psychology  
2 regulatory authority for the attendance and testimony of witnesses, or  
3 the production of evidence from another compact state shall be enforced  
4 in the latter state by any court of competent jurisdiction, according to  
5 that court's practice and procedure in considering subpoenas issued in  
6 its own proceedings. The issuing state psychology regulatory authority  
7 shall pay any witness fees, travel expenses, mileage fees, and other fees  
8 required by the service statutes of the state where the witnesses or  
9 evidence are located; and

10       2. Issue cease and desist orders, injunctive relief orders, or both  
11 to revoke a psychologist's authority to practice interjurisdictional  
12 telepsychology, temporary authorization to practice, or both.

13       3. During the course of any investigation, a psychologist may not  
14 change his or her home state licensure. A home state's state psychology  
15 regulatory authority is authorized to complete any pending investigations  
16 of a psychologist and to take any actions appropriate under its law. The  
17 home state's state psychology regulatory authority shall promptly report  
18 the conclusions of such investigations to the Commission. Once an  
19 investigation has been completed, and pending the outcome of the  
20 investigation, the psychologist may change his or her home state  
21 licensure. The Commission shall promptly notify the new home state of any  
22 such decisions as provided in the rules of the Commission. All  
23 information provided to the Commission or distributed by compact states  
24 pursuant to the psychologist shall be confidential, filed under seal, and  
25 used for investigatory or disciplinary matters. The Commission may create  
26 additional rules for mandated or discretionary sharing of information by  
27 compact states.

28       ARTICLE IX

29       COORDINATED LICENSURE INFORMATION SYSTEM

30       A. The Commission shall provide for the development and maintenance  
31 of a Coordinated Licensure Information System (Coordinated Database) and

1 reporting system containing licensure and disciplinary action information  
2 on all psychologists or individuals to whom the Psychology  
3 Interjurisdictional Compact is applicable in all compact states as  
4 defined by the rules of the Commission.

5 B. Notwithstanding any other provision of state law to the contrary,  
6 a compact state shall submit a uniform data set to the Coordinated  
7 Database on all licensees as required by the rules of the Commission,  
8 including:

- 9 1. Identifying information;
- 10 2. Licensure data;
- 11 3. Significant investigatory information;
- 12 4. Adverse actions against a psychologist's license;
- 13 5. An indicator that a psychologist's authority to practice  
14 interjurisdictional telepsychology or temporary authorization to practice  
15 is revoked;
- 16 6. Nonconfidential information related to alternative program  
17 participation information;
- 18 7. Any denial of application for licensure, and the reasons for such  
19 denial; and
- 20 8. Other information which may facilitate the administration of the  
21 Compact, as determined by the rules of the Commission.

22 C. The Coordinated Database administrator shall promptly notify all  
23 compact states of any adverse action taken against, or significant  
24 investigative information on, any licensee in a compact state.

25 D. Compact states reporting information to the Coordinated Database  
26 may designate information that may not be shared with the public without  
27 the express permission of the compact state reporting the information.

28 E. Any information submitted to the Coordinated Database that is  
29 subsequently required to be expunged by the law of the compact state  
30 reporting the information shall be removed from the Coordinated Database.

31 ARTICLE X

1 ESTABLISHMENT OF THE PSYCHOLOGY INTERJURISDICTIONAL COMPACT  
2 COMMISSION

3 A. The compact states hereby create and establish a joint public  
4 agency known as the Psychology Interjurisdictional Compact Commission.

5 1. The Commission is a body politic and an instrumentality of the  
6 compact states.

7 2. Venue is proper and judicial proceedings by or against the  
8 Commission shall be brought solely and exclusively in a court of  
9 competent jurisdiction where the principal office of the Commission is  
10 located. The Commission may waive venue and jurisdictional defenses to  
11 the extent it adopts or consents to participate in alternative dispute  
12 resolution proceedings.

13 3. Nothing in the Psychology Interjurisdictional Compact shall be  
14 construed to be a waiver of sovereign immunity.

15 B. Membership, Voting, and Meetings

16 1. The Commission shall consist of one voting representative  
17 appointed by each compact state who shall serve as that state's  
18 Commissioner. The state psychology regulatory authority shall appoint the  
19 state's delegate. This delegate shall be empowered to act on behalf of  
20 the compact state. This delegate shall be limited to:

- 21 a. Executive director, executive secretary, or similar executive;  
22 b. Current member of the state psychology regulatory authority of a  
23 compact state; or  
24 c. Designee empowered with the appropriate delegate authority to act  
25 on behalf of the compact state.

26 2. Any Commissioner may be removed or suspended from office as  
27 provided by the law of the state from which the Commissioner is  
28 appointed. Any vacancy occurring in the Commission shall be filled in  
29 accordance with the laws of the compact state in which the vacancy  
30 exists.

31 3. Each Commissioner shall be entitled to one vote with regard to

1 the promulgation of rules and creation of bylaws and shall otherwise have  
2 an opportunity to participate in the business and affairs of the  
3 Commission. A Commissioner shall vote in person or by such other means as  
4 provided in the bylaws. The bylaws may provide for Commissioners'  
5 participation in meetings by telephone or other means of communication.

6 4. The Commission shall meet at least once during each calendar  
7 year. Additional meetings shall be held as set forth in the bylaws.

8 5. All meetings shall be open to the public, and public notice of  
9 meetings shall be given in the same manner as required under the  
10 rulemaking provisions in Article XI.

11 6. The Commission may convene in a closed, nonpublic meeting if the  
12 Commission must discuss:

13 a. Noncompliance of a compact state with its obligations under the  
14 Compact;

15 b. The employment, compensation, discipline, or other personnel  
16 matters, practices, or procedures related to specific employees or other  
17 matters related to the Commission's internal personnel practices and  
18 procedures;

19 c. Current, threatened, or reasonably anticipated litigation against  
20 the Commission;

21 d. Negotiation of contracts for the purchase or sale of goods,  
22 services, or real estate;

23 e. Accusation against any person of a crime or formally censuring  
24 any person;

25 f. Disclosure of trade secrets or commercial or financial  
26 information which is privileged or confidential;

27 g. Disclosure of information of a personal nature where disclosure  
28 would constitute a clearly unwarranted invasion of personal privacy;

29 h. Disclosure of investigatory records compiled for law enforcement  
30 purposes;

31 i. Disclosure of information related to any investigatory reports

1 prepared by or on behalf of or for use of the Commission or other  
2 committee charged with responsibility for investigation or determination  
3 of compliance issues pursuant to the Compact; or

4 j. Matters specifically exempted from disclosure by federal and  
5 state statute.

6 7. If a meeting, or portion of a meeting, is closed pursuant to this  
7 Article, the Commission's legal counsel or designee shall certify that  
8 the meeting may be closed and shall reference each relevant exempting  
9 provision. The Commission shall keep minutes which fully and clearly  
10 describe all matters discussed in a meeting and shall provide a full and  
11 accurate summary of actions taken, of any person participating in the  
12 meeting, and the reasons therefore, including a description of the views  
13 expressed. All documents considered in connection with an action shall be  
14 identified in such minutes. All minutes and documents of a closed meeting  
15 shall remain under seal, subject to release only by a majority vote of  
16 the Commission or order of a court of competent jurisdiction.

17 C. The Commission shall, by a majority vote of the Commissioners,  
18 prescribe bylaws or rules to govern its conduct as may be necessary or  
19 appropriate to carry out the purposes and exercise the powers of the  
20 Compact, including, but not limited to:

- 21 1. Establishing the fiscal year of the Commission;
- 22 2. Providing reasonable standards and procedures:
  - 23 a. For the establishment and meetings of other committees; and
  - 24 b. Governing any general or specific delegation of any authority or  
25 function of the Commission;
- 26 3. Providing reasonable procedures for calling and conducting  
27 meetings of the Commission, ensuring reasonable advance notice of all  
28 meetings and providing an opportunity for attendance of such meetings by  
29 interested parties, with enumerated exceptions designed to protect the  
30 public's interest, the privacy of individuals of such proceedings, and  
31 proprietary information, including trade secrets. The Commission may meet

1 in closed session only after a majority of the Commissioners vote to  
2 close a meeting to the public in whole or in part. As soon as  
3 practicable, the Commission must make public a copy of the vote to close  
4 the meeting revealing the vote of each Commissioner with no proxy votes  
5 allowed;

6 4. Establishing the titles, duties, and authority and reasonable  
7 procedures for the election of the officers of the Commission;

8 5. Providing reasonable standards and procedures for the  
9 establishment of the personnel policies and programs of the Commission.  
10 Notwithstanding any civil service or other similar law of any compact  
11 state, the bylaws shall exclusively govern the personnel policies and  
12 programs of the Commission;

13 6. Promulgating a code of ethics to address permissible and  
14 prohibited activities of Commission members and employees;

15 7. Providing a mechanism for concluding the operations of the  
16 Commission and the equitable disposition of any surplus funds that may  
17 exist after the termination of the Compact after the payment, reserving,  
18 or both of all of its debts and obligations;

19 8. The Commission shall publish its bylaws in a convenient form and  
20 file a copy thereof and a copy of any amendment thereto, with the  
21 appropriate agency or officer in each of the compact states;

22 9. The Commission shall maintain its financial records in accordance  
23 with the bylaws; and

24 10. The Commission shall meet and take such actions as are  
25 consistent with the provisions of the Compact and the bylaws.

26 D. The Commission shall have the following powers:

27 1. The authority to promulgate uniform rules to facilitate and  
28 coordinate implementation and administration of the Compact. The rules  
29 shall have the force and effect of law and shall be binding in all  
30 compact states;

31 2. To bring and prosecute legal proceedings or actions in the name

1 of the Commission, provided that the standing of any state psychology  
2 regulatory authority or other regulatory body responsible for psychology  
3 licensure to sue or be sued under applicable law shall not be affected;

4 3. To purchase and maintain insurance and bonds;

5 4. To borrow, accept, or contract for services of personnel,  
6 including, but not limited to, employees of a compact state;

7 5. To hire employees, elect or appoint officers, fix compensation,  
8 define duties, grant such individuals appropriate authority to carry out  
9 the purposes of the Compact, and to establish the Commission's personnel  
10 policies and programs relating to conflicts of interest, qualifications  
11 of personnel, and other related personnel matters;

12 6. To accept any and all appropriate donations and grants of money,  
13 equipment, supplies, materials, and services, and to receive, utilize,  
14 and dispose of the same; provided that at all times the Commission shall  
15 strive to avoid any appearance of impropriety or conflict of interest;

16 7. To lease, purchase, accept appropriate gifts or donations of, or  
17 otherwise to own, hold, improve or use, any property, real, personal, or  
18 mixed; provided that at all times the Commission shall strive to avoid  
19 any appearance of impropriety;

20 8. To sell, convey, mortgage, pledge, lease, exchange, abandon, or  
21 otherwise dispose of any property real, personal, or mixed;

22 9. To establish a budget and make expenditures;

23 10. To borrow money;

24 11. To appoint committees, including advisory committees comprised  
25 of members, state regulators, state legislators or their representatives,  
26 and consumer representatives, and such other interested persons as may be  
27 designated in the Compact and the bylaws;

28 12. To provide and receive information from, and to cooperate with,  
29 law enforcement agencies;

30 13. To adopt and use an official seal; and

31 14. To perform such other functions as may be necessary or

1 appropriate to achieve the purposes of the Compact consistent with the  
2 state regulation of psychology licensure, temporary in-person, face-to-  
3 face practice, and telepsychology practice.

4 E. The Executive Board

5 The elected officers shall serve as the Executive Board, which shall  
6 have the power to act on behalf of the Commission according to the terms  
7 of the Compact.

8 1. The Executive Board shall be comprised of six members:

9 a. Five voting members who are elected from the current membership  
10 of the Commission by the Commission; and

11 b. One ex-officio, nonvoting member from the recognized membership  
12 organization composed of State and Provincial Psychology Regulatory  
13 Authorities.

14 2. The ex-officio member must have served as staff or member on a  
15 state psychology regulatory authority and will be selected by its  
16 respective organization.

17 3. The Commission may remove any member of the Executive Board as  
18 provided in bylaws.

19 4. The Executive Board shall meet at least annually.

20 5. The Executive Board shall have the following duties and  
21 responsibilities:

22 a. Recommend to the entire Commission changes to the rules or  
23 bylaws, changes to the Compact, fees paid by compact states such as  
24 annual dues, and any other applicable fees;

25 b. Ensure Compact administration services are appropriately  
26 provided, contractual or otherwise;

27 c. Prepare and recommend the budget;

28 d. Maintain financial records on behalf of the Commission;

29 e. Monitor Compact compliance of member states and provide  
30 compliance reports to the Commission;

31 f. Establish additional committees as necessary; and

1 g. Other duties as provided in rules or bylaws.

2 F. Financing of the Commission

3 1. The Commission shall pay, or provide for the payment of, the  
4 reasonable expenses of its establishment, organization, and ongoing  
5 activities.

6 2. The Commission may accept any and all appropriate revenue  
7 sources, donations, and grants of money, equipment, supplies, materials,  
8 and services.

9 3. The Commission may levy on and collect an annual assessment from  
10 each compact state or impose fees on other parties to cover the cost of  
11 the operations and activities of the Commission and its staff which must  
12 be in a total amount sufficient to cover its annual budget as approved  
13 each year for which revenue is not provided by other sources. The  
14 aggregate annual assessment amount shall be allocated based upon a  
15 formula to be determined by the Commission which shall promulgate a rule  
16 binding upon all compact states.

17 4. The Commission shall not incur obligations of any kind prior to  
18 securing the funds adequate to meet the same; nor shall the Commission  
19 pledge the credit of any of the compact states, except by and with the  
20 authority of the compact state.

21 5. The Commission shall keep accurate accounts of all receipts and  
22 disbursements. The receipts and disbursements of the Commission shall be  
23 subject to the audit and accounting procedures established under its  
24 bylaws. However, all receipts and disbursements of funds handled by the  
25 Commission shall be audited yearly by a certified or licensed public  
26 accountant and the report of the audit shall be included in and become  
27 part of the annual report of the Commission.

28 G. Qualified Immunity, Defense, and Indemnification

29 1. The members, officers, executive director, employees, and  
30 representatives of the Commission shall have no greater liability, either  
31 personally or in their official capacity, for any claim for damage to or

1 loss of property or personal injury or other civil liability caused by or  
2 arising out of any actual or alleged act, error, or omission that  
3 occurred, or that the person against whom the claim is made had a  
4 reasonable basis for believing occurred, within the scope of Commission  
5 employment, duties, or responsibilities, than a state employee would have  
6 under the same or similar circumstances; provided that nothing in this  
7 paragraph shall be construed to protect any such person from suit or  
8 liability for any damage, loss, injury, or liability caused by the  
9 intentional or willful or wanton misconduct of that person.

10 2. The Commission shall defend any member, officer, executive  
11 director, employee, or representative of the Commission in any civil  
12 action seeking to impose liability arising out of any actual or alleged  
13 act, error, or omission that occurred within the scope of Commission  
14 employment, duties, or responsibilities, or that the person against whom  
15 the claim is made had a reasonable basis for believing occurred within  
16 the scope of Commission employment, duties, or responsibilities; provided  
17 that nothing in this paragraph shall be construed to prohibit that person  
18 from retaining his or her own counsel; and provided further, that the  
19 actual or alleged act, error, or omission did not result from that  
20 person's intentional or willful or wanton misconduct.

21 3. The Commission shall indemnify and hold harmless any member,  
22 officer, executive director, employee, or representative of the  
23 Commission for the amount of any settlement or judgment obtained against  
24 that person arising out of any actual or alleged act, error, or omission  
25 that occurred within the scope of Commission employment, duties, or  
26 responsibilities, or that such person had a reasonable basis for  
27 believing occurred within the scope of Commission employment, duties, or  
28 responsibilities, provided that the actual or alleged act, error, or  
29 omission did not result from the intentional or willful or wanton  
30 misconduct of that person.

31 ARTICLE XI

1           RULEMAKING

2           A. The Commission shall exercise its rulemaking powers pursuant to  
3 the criteria set forth in this Article and the rules adopted thereunder.  
4 Rules and amendments shall become binding as of the date specified in  
5 each rule or amendment.

6           B. If a majority of the legislatures of the compact states rejects a  
7 rule, by enactment of a statute or resolution in the same manner used to  
8 adopt the Psychology Interjurisdictional Compact, then such rule shall  
9 have no further force and effect in any compact state.

10          C. Rules or amendments to the rules shall be adopted at a regular or  
11 special meeting of the Commission.

12          D. Prior to promulgation and adoption of a final rule or rules by  
13 the Commission, and at least sixty days in advance of the meeting at  
14 which the rule will be considered and voted upon, the Commission shall  
15 file a notice of proposed rulemaking:

- 16           1. On the web site of the Commission; and  
17           2. On the web site of each compact state's state psychology  
18 regulatory authority or the publication in which each state would  
19 otherwise publish proposed rules.

20          E. The notice of proposed rulemaking shall include:

- 21           1. The proposed time, date, and location of the meeting in which the  
22 rule will be considered and voted upon;  
23           2. The text of the proposed rule or amendment and the reason for the  
24 proposed rule;  
25           3. A request for comments on the proposed rule from any interested  
26 person; and  
27           4. The manner in which interested persons may submit notice to the  
28 Commission of their intention to attend the public hearing and any  
29 written comments.

30          F. Prior to adoption of a proposed rule, the Commission shall allow  
31 persons to submit written data, facts, opinions, and arguments, which

1 shall be made available to the public.

2 G. The Commission shall grant an opportunity for a public hearing  
3 before it adopts a rule or amendment if a hearing is requested by:

4 1. At least twenty-five persons who submit comments independently of  
5 each other;

6 2. A governmental subdivision or agency; or

7 3. A duly appointed person in an association that has at least  
8 twenty-five members.

9 H. If a hearing is held on the proposed rule or amendment, the  
10 Commission shall publish the place, time, and date of the scheduled  
11 public hearing.

12 1. All persons wishing to be heard at the hearing shall notify the  
13 executive director of the Commission or other designated member in  
14 writing of their desire to appear and testify at the hearing not less  
15 than five business days before the scheduled date of the hearing.

16 2. Hearings shall be conducted in a manner providing each person who  
17 wishes to comment a fair and reasonable opportunity to comment orally or  
18 in writing.

19 3. No transcript of the hearing is required, unless a written  
20 request for a transcript is made, in which case the person requesting the  
21 transcript shall bear the cost of producing the transcript. A recording  
22 may be made in lieu of a transcript under the same terms and conditions  
23 as a transcript. This subsection shall not preclude the Commission from  
24 making a transcript or recording of the hearing if it so chooses.

25 4. Nothing in this Article shall be construed as requiring a  
26 separate hearing on each rule. Rules may be grouped for the convenience  
27 of the Commission at hearings required by this Article.

28 I. Following the scheduled hearing date, or by the close of business  
29 on the scheduled hearing date if the hearing was not held, the Commission  
30 shall consider all written and oral comments received.

31 J. The Commission shall, by majority vote of all members, take final

1 action on the proposed rule and shall determine the effective date of the  
2 rule, if any, based on the rulemaking record and the full text of the  
3 rule.

4 K. If no written notice of intent to attend the public hearing by  
5 interested parties is received, the Commission may proceed with  
6 promulgation of the proposed rule without a public hearing.

7 L. Upon determination that an emergency exists, the Commission may  
8 consider and adopt an emergency rule without prior notice, opportunity  
9 for comment, or hearing, provided that the usual rulemaking procedures  
10 provided in the Compact and in this section shall be retroactively  
11 applied to the rule as soon as reasonably possible, in no event later  
12 than ninety days after the effective date of the rule. For the purposes  
13 of this paragraph, an emergency rule is one that must be adopted  
14 immediately in order to:

- 15 1. Meet an imminent threat to public health, safety, or welfare;
- 16 2. Prevent a loss of Commission or compact state funds;
- 17 3. Meet a deadline for the promulgation of an administrative rule  
18 that is established by federal law or rule; or
- 19 4. Protect public health and safety.

20 M. The Commission or an authorized committee of the Commission may  
21 direct revisions to a previously adopted rule or amendment for purposes  
22 of correcting typographical errors, errors in format, errors in  
23 consistency, or grammatical errors. Public notice of any revisions shall  
24 be posted on the web site of the Commission. The revision shall be  
25 subject to challenge by any person for a period of thirty days after  
26 posting. The revision may be challenged only on grounds that the revision  
27 results in a material change to a rule. A challenge shall be made in  
28 writing, and delivered to the chair of the Commission prior to the end of  
29 the notice period. If no challenge is made, the revision will take effect  
30 without further action. If the revision is challenged, the revision may  
31 not take effect without the approval of the Commission.

1           ARTICLE XII  
2           OVERSIGHT, DISPUTE RESOLUTION, AND ENFORCEMENT  
3           A. Oversight

4           1. The executive, legislative, and judicial branches of state  
5 government in each compact state shall enforce the Psychology  
6 Interjurisdictional Compact and take all actions necessary and  
7 appropriate to effectuate the Compact's purposes and intent. The Compact  
8 and the rules promulgated under the Compact shall have standing as  
9 statutory law.

10          2. All courts shall take judicial notice of the Compact and the  
11 rules in any judicial or administrative proceeding in a compact state  
12 pertaining to the subject matter of the Compact which may affect the  
13 powers, responsibilities, or actions of the Commission.

14          3. The Commission shall be entitled to receive service of process in  
15 any such proceeding and shall have standing to intervene in such a  
16 proceeding for all purposes. Failure to provide service of process to the  
17 Commission shall render a judgment or order void as to the Commission,  
18 the Compact, or promulgated rules.

19          B. Default, Technical Assistance, and Termination

20          1. If the Commission determines that a compact state has defaulted  
21 in the performance of its obligations or responsibilities under the  
22 Compact or the promulgated rules, the Commission shall:

23           a. Provide written notice to the defaulting state and other compact  
24 states of the nature of the default, the proposed means of remedying the  
25 default, or any other action to be taken by the Commission; and

26           b. Provide remedial training and specific technical assistance  
27 regarding the default.

28          2. If a state in default fails to remedy the default, the defaulting  
29 state may be terminated from the Compact upon an affirmative vote of a  
30 majority of the compact states, and all rights, privileges, and benefits  
31 conferred by the Compact shall be terminated on the effective date of

1 termination. A remedy of the default does not relieve the offending state  
2 of obligations or liabilities incurred during the period of default.

3 3. Termination of membership in the Compact shall be imposed only  
4 after all other means of securing compliance have been exhausted. Notice  
5 of intent to suspend or terminate shall be submitted by the Commission to  
6 the Governor, the majority and minority leaders of the defaulting state's  
7 legislature or the Speaker if no such leaders exist, and each of the  
8 compact states.

9 4. A compact state which has been terminated is responsible for all  
10 assessments, obligations, and liabilities incurred through the effective  
11 date of termination, including obligations which extend beyond the  
12 effective date of termination.

13 5. The Commission shall not bear any costs incurred by the state  
14 which is found to be in default or which has been terminated from the  
15 Compact, unless agreed upon in writing between the Commission and the  
16 defaulting state.

17 6. The defaulting state may appeal the action of the Commission by  
18 petitioning the United States District Court for the State of Georgia or  
19 the federal district where the Compact has its principal offices. The  
20 prevailing member shall be awarded all costs of such litigation,  
21 including reasonable attorney's fees.

22 C. Dispute Resolution

23 1. Upon request by a compact state, the Commission shall attempt to  
24 resolve disputes related to the Compact which arise among compact states  
25 and between compact and noncompact states.

26 2. The Commission shall promulgate a rule providing for both  
27 mediation and binding dispute resolution for disputes that arise before  
28 the Commission.

29 D. Enforcement

30 1. The Commission, in the reasonable exercise of its discretion,  
31 shall enforce the provisions and rules of the Compact.

1           2. By majority vote, the Commission may initiate legal action in the  
2 United States District Court for the State of Georgia or the federal  
3 district where the Compact has its principal offices against a compact  
4 state in default to enforce compliance with the provisions of the Compact  
5 and its promulgated rules and bylaws. The relief sought may include both  
6 injunctive relief and damages. In the event judicial enforcement is  
7 necessary, the prevailing member shall be awarded all costs of such  
8 litigation, including reasonable attorney's fees.

9           3. The remedies in this Article shall not be the exclusive remedies  
10 of the Commission. The Commission may pursue any other remedies available  
11 under federal or state law.

12           ARTICLE XIII

13           DATE OF IMPLEMENTATION OF THE PSYCHOLOGY INTERJURISDICTIONAL COMPACT  
14 COMMISSION AND ASSOCIATED RULES, WITHDRAWAL, AND AMENDMENTS

15           A. The Psychology Interjurisdictional Compact shall come into effect  
16 on the date on which the Compact is enacted into law in the seventh  
17 compact state. The provisions which become effective at that time shall  
18 be limited to the powers granted to the Commission relating to assembly  
19 and the promulgation of rules. Thereafter, the Commission shall meet and  
20 exercise rulemaking powers necessary to the implementation and  
21 administration of the Compact.

22           B. Any state which joins the Compact subsequent to the Commission's  
23 initial adoption of the rules shall be subject to the rules as they exist  
24 on the date on which the Compact becomes law in that state. Any rule  
25 which has been previously adopted by the Commission shall have the full  
26 force and effect of law on the day the Compact becomes law in that state.

27           C. Any compact state may withdraw from this Compact by enacting a  
28 statute repealing the same.

29           1. A compact state's withdrawal shall not take effect until six  
30 months after enactment of the repealing statute.

31           2. Withdrawal shall not affect the continuing requirement of the

1 withdrawing state's state psychology regulatory authority to comply with  
2 the investigative and adverse action reporting requirements of the  
3 Compact prior to the effective date of withdrawal.

4 D. Nothing contained in the Compact shall be construed to invalidate  
5 or prevent any psychology licensure agreement or other cooperative  
6 arrangement between a compact state and a noncompact state which does not  
7 conflict with the Compact.

8 E. The Compact may be amended by the compact states. No amendment to  
9 the Compact shall become effective and binding upon any compact state  
10 until it is enacted into the law of all compact states.

11 ARTICLE XIV

12 CONSTRUCTION AND SEVERABILITY

13 The Psychology Interjurisdictional Compact shall be liberally  
14 construed so as to effectuate the purposes of the Compact. If the Compact  
15 shall be held contrary to the constitution of any state which is a member  
16 of the Compact, the Compact shall remain in full force and effect as to  
17 the remaining compact states.

18 Sec. 9. Section 58-809, Revised Statutes Cumulative Supplement,  
19 2018, is amended to read:

20 58-809 Private institution of higher education means a not-for-  
21 profit educational institution located within this state which is not  
22 owned or controlled by the state or any political subdivision, agency,  
23 instrumentality, district, or municipality thereof, which is authorized  
24 by law to provide a program of education beyond the high school level,  
25 and which:

26 (1) Admits as regular students only individuals having a certificate  
27 of graduation from a high school or the recognized equivalent of such a  
28 certificate;

29 (2) Provides an educational program for which it awards a bachelor's  
30 degree; provides an educational program, admission into which is  
31 conditioned upon the prior attainment of a bachelor's degree or its

1 equivalent, for which it awards a postgraduate degree; provides a program  
2 of not less than two years in length which is acceptable for full credit  
3 toward a bachelor's degree; or offers a two-year program in engineering,  
4 mathematics, or the physical or biological sciences which is designed to  
5 prepare the student to work as a technician and at a semiprofessional  
6 level in engineering, research, medicine, or other technological fields  
7 which require the understanding and application of basic engineering,  
8 scientific, or mathematical principles or knowledge;

9 (3) Is accredited by an a regionally recognized accrediting agency  
10 or association or, if not so accredited, is an institution whose credits  
11 are accepted, on transfer, by not less than three institutions which are  
12 so accredited, for credit on the same basis as if transferred from an  
13 institution so accredited; and

14 (4) Has a student admissions policy that does not violate any other  
15 Nebraska or federal law against discrimination on the basis of race,  
16 color, creed, national origin, ancestry, age, gender, or handicap.

17 Sec. 10. Section 71-8404, Reissue Revised Statutes of Nebraska, is  
18 amended to read:

19 71-8404 Except as provided in sections 71-8405 and 71-8407, for  
20 medical records provided under section 71-8403 or under subpoena by a  
21 patient or his or her authorized representative a provider may charge no  
22 more than thirty-five ~~twenty~~ dollars as a handling fee for electronic or  
23 paper records and may charge no more than fifty cents per page as a  
24 copying fee for paper records. A provider may charge for the reasonable  
25 cost of all duplications of medical records which cannot routinely be  
26 copied or duplicated on a standard photocopy machine. A provider may  
27 charge an amount necessary to cover the cost of labor and materials for  
28 furnishing a copy of an X-ray or similar special medical record. If the  
29 provider does not have the ability to reproduce X-rays or other records  
30 requested, the person making the request may arrange, at his or her  
31 expense, for the reproduction of such records.

1           Sec. 11. Section 76-2203.01, Reissue Revised Statutes of Nebraska,  
2 is amended to read:

3           76-2203.01 Accredited degree-awarding community college, college, or  
4 university means an institution that is approved or accredited by an a  
5 ~~regional or national~~ accreditation association or ~~an~~ agency recognized by  
6 the United States Secretary of Education.

7           Sec. 12. Section 77-1601.02, Revised Statutes Supplement, 2019, is  
8 amended to read:

9           77-1601.02 (1) If the annual assessment of property would result in  
10 an increase in the total property taxes levied by a county, municipality,  
11 school district, learning community, sanitary and improvement district,  
12 natural resources district, educational service unit, or community  
13 college, as determined using the previous year's rate of levy, such  
14 political subdivision's property tax request for the current year shall  
15 be no more than its property tax request in the prior year, and the  
16 political subdivision's rate of levy for the current year shall be  
17 decreased accordingly when such rate is set by the county board of  
18 equalization pursuant to section 77-1601. The governing body of the  
19 political subdivision shall pass a resolution or ordinance to set the  
20 amount of its property tax request after holding the public hearing  
21 required in subsection (3) of this section. If the governing body of a  
22 political subdivision seeks to set its property tax request at an amount  
23 that exceeds its property tax request in the prior year, it may do so  
24 after holding the public hearing required in subsection (3) of this  
25 section and by passing a resolution or ordinance that complies with  
26 subsection (4) of this section.

27           (2) If the annual assessment of property would result in no change  
28 or a decrease in the total property taxes levied by a county,  
29 municipality, school district, learning community, sanitary and  
30 improvement district, natural resources district, educational service  
31 unit, or community college, as determined using the previous year's rate

1 of levy, such political subdivision's property tax request for the  
2 current year shall be no more than its property tax request in the prior  
3 year, and the political subdivision's rate of levy for the current year  
4 shall be adjusted accordingly when such rate is set by the county board  
5 of equalization pursuant to section 77-1601. The governing body of the  
6 political subdivision shall pass a resolution or ordinance to set the  
7 amount of its property tax request after holding the public hearing  
8 required in subsection (3) of this section. If the governing body of a  
9 political subdivision seeks to set its property tax request at an amount  
10 that exceeds its property tax request in the prior year, it may do so  
11 after holding the public hearing required in subsection (3) of this  
12 section and by passing a resolution or ordinance that complies with  
13 subsection (4) of this section.

14 (3) The resolution or ordinance required under this section shall  
15 only be passed after a special public hearing called for such purpose is  
16 held and after notice is published in a newspaper of general circulation  
17 in the area of the political subdivision at least four calendar days  
18 prior to the hearing. For purposes of such notice, the four calendar days  
19 shall include the day of publication but not the day of hearing. If the  
20 political subdivision's total operating budget, not including reserves,  
21 does not exceed ten thousand dollars per year or twenty thousand dollars  
22 per biennial period, the notice may be posted at the governing body's  
23 principal headquarters. The hearing notice shall contain the following  
24 information: The certified taxable valuation under section 13-509 for the  
25 prior year, the certified taxable valuation under section 13-509 for the  
26 current year, and the percentage increase or decrease in such valuations  
27 from the prior year to the current year; the dollar amount of the prior  
28 year's tax request and the property tax rate that was necessary to fund  
29 that tax request; the property tax rate that would be necessary to fund  
30 last year's tax request if applied to the current year's valuation; the  
31 proposed dollar amount of the tax request for the current year and the

1 property tax rate that will be necessary to fund that tax request; the  
2 percentage increase or decrease in the property tax rate from the prior  
3 year to the current year; and the percentage increase or decrease in the  
4 total operating budget from the prior year to the current year.

5 (4) Any resolution or ordinance setting a political subdivision's  
6 property tax request at an amount that exceeds the political  
7 subdivision's property tax request in the prior year shall include, but  
8 not be limited to, the following information:

9 (a) The name of the political subdivision;

10 (b) The amount of the property tax request;

11 (c) The following statements:

12 (i) The total assessed value of property differs from last year's  
13 total assessed value by ..... percent;

14 (ii) The tax rate which would levy the same amount of property taxes  
15 as last year, when multiplied by the new total assessed value of  
16 property, would be \$..... per \$100 of assessed value;

17 (iii) The (name of political subdivision) proposes to adopt a  
18 property tax request that will cause its tax rate to be \$..... per \$100  
19 of assessed value; and

20 (iv) Based on the proposed property tax request and changes in other  
21 revenue, the total operating budget of (name of political subdivision) in  
22 comparison to will exceed last year's budget will change by .....  
23 percent; and

24 (d) The record vote of the governing body in passing such resolution  
25 or ordinance.

26 (5) Any resolution or ordinance setting a property tax request under  
27 this section shall be certified and forwarded to the county clerk on or  
28 before October 13 of the year for which the tax request is to apply.

29 (6) Any levy which is not in compliance with this section and  
30 section 77-1601 shall be construed as an unauthorized levy under section  
31 77-1606.

1           Sec. 13. Section 77-2704.12, Reissue Revised Statutes of Nebraska,  
2 is amended to read:

3           77-2704.12 (1) Sales and use taxes shall not be imposed on the gross  
4 receipts from the sale, lease, or rental of and the storage, use, or  
5 other consumption in this state of purchases by (a) any nonprofit  
6 organization created exclusively for religious purposes, (b) any  
7 nonprofit organization providing services exclusively to the blind, (c)  
8 any nonprofit private educational institution established under sections  
9 79-1601 to 79-1607, (d) any ~~regionally or nationally~~ accredited,  
10 nonprofit, privately controlled college or university with its primary  
11 campus physically located in Nebraska, (e) any nonprofit (i) hospital,  
12 (ii) health clinic when one or more hospitals or the parent corporations  
13 of the hospitals own or control the health clinic for the purpose of  
14 reducing the cost of health services or when the health clinic receives  
15 federal funds through the United States Public Health Service for the  
16 purpose of serving populations that are medically underserved, (iii)  
17 skilled nursing facility, (iv) intermediate care facility, (v) assisted-  
18 living facility, (vi) intermediate care facility for persons with  
19 developmental disabilities, (vii) nursing facility, (viii) home health  
20 agency, (ix) hospice or hospice service, (x) respite care service, (xi)  
21 mental health substance use treatment center licensed under the Health  
22 Care Facility Licensure Act, or (xii) center for independent living as  
23 defined in 29 U.S.C. 796a, (f) any nonprofit licensed residential child-  
24 caring agency, (g) any nonprofit licensed child-placing agency, or (h)  
25 any nonprofit organization certified by the Department of Health and  
26 Human Services to provide community-based services for persons with  
27 developmental disabilities.

28           (2) Any organization listed in subsection (1) of this section shall  
29 apply for an exemption on forms provided by the Tax Commissioner. The  
30 application shall be approved and a numbered certificate of exemption  
31 received by the applicant organization in order to be exempt from the

1 sales and use tax.

2 (3) The appointment of purchasing agents shall be recognized for the  
3 purpose of altering the status of the construction contractor as the  
4 ultimate consumer of building materials which are physically annexed to  
5 the structure and which subsequently belong to the owner of the  
6 organization or institution. The appointment of purchasing agents shall  
7 be in writing and occur prior to having any building materials annexed to  
8 real estate in the construction, improvement, or repair. The contractor  
9 who has been appointed as a purchasing agent may apply for a refund of or  
10 use as a credit against a future use tax liability the tax paid on  
11 inventory items annexed to real estate in the construction, improvement,  
12 or repair of a project for a licensed not-for-profit institution.

13 (4) Any organization listed in subsection (1) of this section which  
14 enters into a contract of construction, improvement, or repair upon  
15 property annexed to real estate without first issuing a purchasing agent  
16 authorization to a contractor or repairperson prior to the building  
17 materials being annexed to real estate in the project may apply to the  
18 Tax Commissioner for a refund of any sales and use tax paid by the  
19 contractor or repairperson on the building materials physically annexed  
20 to real estate in the construction, improvement, or repair.

21 (5) Any person purchasing, storing, using, or otherwise consuming  
22 building materials in the performance of any construction, improvement,  
23 or repair by or for any institution enumerated in subsection (1) of this  
24 section which is licensed upon completion although not licensed at the  
25 time of construction or improvement, which building materials are annexed  
26 to real estate and which subsequently belong to the owner of the  
27 institution, shall pay any applicable sales or use tax thereon. Upon  
28 becoming licensed and receiving a numbered certificate of exemption, the  
29 institution organized not for profit shall be entitled to a refund of the  
30 amount of taxes so paid in the performance of such construction,  
31 improvement, or repair and shall submit whatever evidence is required by

1 the Tax Commissioner sufficient to establish the total sales and use tax  
2 paid upon the building materials physically annexed to real estate in the  
3 construction, improvement, or repair.

4 Sec. 14. Section 77-27,119, Reissue Revised Statutes of Nebraska, is  
5 amended to read:

6 77-27,119 (1) The Tax Commissioner shall administer and enforce the  
7 income tax imposed by sections 77-2714 to 77-27,135, and he or she is  
8 authorized to conduct hearings, to adopt and promulgate such rules and  
9 regulations, and to require such facts and information to be reported as  
10 he or she may deem necessary to enforce the income tax provisions of such  
11 sections, except that such rules, regulations, and reports shall not be  
12 inconsistent with the laws of this state or the laws of the United  
13 States. The Tax Commissioner may for enforcement and administrative  
14 purposes divide the state into a reasonable number of districts in which  
15 branch offices may be maintained.

16 (2)(a) The Tax Commissioner may prescribe the form and contents of  
17 any return or other document required to be filed under the income tax  
18 provisions. Such return or other document shall be compatible as to form  
19 and content with the return or document required by the laws of the  
20 United States. The form shall have a place where the taxpayer shall  
21 designate the ~~high~~ school district in which he or she lives and the  
22 county in which the ~~high~~ school district is headquartered. The Tax  
23 Commissioner shall adopt and promulgate such rules and regulations as may  
24 be necessary to insure compliance with this requirement.

25 (b) The State Department of Education, with the assistance and  
26 cooperation of the Department of Revenue, shall develop a uniform system  
27 for numbering all school districts in the state. Such system shall be  
28 consistent with the data processing needs of the Department of Revenue  
29 and shall be used for the school district identification required by  
30 subdivision (a) of this subsection.

31 (c) The proper filing of an income tax return shall consist of the

1 submission of such form as prescribed by the Tax Commissioner or an exact  
2 facsimile thereof with sufficient information provided by the taxpayer on  
3 the face of the form from which to compute the actual tax liability. Each  
4 taxpayer shall include such taxpayer's correct social security number or  
5 state identification number and the school district identification number  
6 of the school district in which the taxpayer resides on the face of the  
7 form. A filing is deemed to occur when the required information is  
8 provided.

9 (3) The Tax Commissioner, for the purpose of ascertaining the  
10 correctness of any return or other document required to be filed under  
11 the income tax provisions, for the purpose of determining corporate  
12 income, individual income, and withholding tax due, or for the purpose of  
13 making an estimate of taxable income of any person, shall have the power  
14 to examine or to cause to have examined, by any agent or representative  
15 designated by him or her for that purpose, any books, papers, records, or  
16 memoranda bearing upon such matters and may by summons require the  
17 attendance of the person responsible for rendering such return or other  
18 document or remitting any tax, or any officer or employee of such person,  
19 or the attendance of any other person having knowledge in the premises,  
20 and may take testimony and require proof material for his or her  
21 information, with power to administer oaths or affirmations to such  
22 person or persons.

23 (4) The time and place of examination pursuant to this section shall  
24 be such time and place as may be fixed by the Tax Commissioner and as are  
25 reasonable under the circumstances. In the case of a summons, the date  
26 fixed for appearance before the Tax Commissioner shall not be less than  
27 twenty days from the time of service of the summons.

28 (5) No taxpayer shall be subjected to unreasonable or unnecessary  
29 examinations or investigations.

30 (6) Except in accordance with proper judicial order or as otherwise  
31 provided by law, it shall be unlawful for the Tax Commissioner, any

1 officer or employee of the Tax Commissioner, any person engaged or  
2 retained by the Tax Commissioner on an independent contract basis, any  
3 person who pursuant to this section is permitted to inspect any report or  
4 return or to whom a copy, an abstract, or a portion of any report or  
5 return is furnished, any employee of the State Treasurer or the  
6 Department of Administrative Services, or any other person to divulge,  
7 make known, or use in any manner the amount of income or any particulars  
8 set forth or disclosed in any report or return required except for the  
9 purpose of enforcing sections 77-2714 to 77-27,135. The officers charged  
10 with the custody of such reports and returns shall not be required to  
11 produce any of them or evidence of anything contained in them in any  
12 action or proceeding in any court, except on behalf of the Tax  
13 Commissioner in an action or proceeding under the provisions of the tax  
14 law to which he or she is a party or on behalf of any party to any action  
15 or proceeding under such sections when the reports or facts shown thereby  
16 are directly involved in such action or proceeding, in either of which  
17 events the court may require the production of, and may admit in  
18 evidence, so much of such reports or of the facts shown thereby as are  
19 pertinent to the action or proceeding and no more. Nothing in this  
20 section shall be construed (a) to prohibit the delivery to a taxpayer,  
21 his or her duly authorized representative, or his or her successors,  
22 receivers, trustees, personal representatives, administrators, assignees,  
23 or guarantors, if directly interested, of a certified copy of any return  
24 or report in connection with his or her tax, (b) to prohibit the  
25 publication of statistics so classified as to prevent the identification  
26 of particular reports or returns and the items thereof, (c) to prohibit  
27 the inspection by the Attorney General, other legal representatives of  
28 the state, or a county attorney of the report or return of any taxpayer  
29 who brings an action to review the tax based thereon, against whom an  
30 action or proceeding for collection of tax has been instituted, or  
31 against whom an action, proceeding, or prosecution for failure to comply

1 with the Nebraska Revenue Act of 1967 is being considered or has been  
2 commenced, (d) to prohibit furnishing to the Nebraska Workers'  
3 Compensation Court the names, addresses, and identification numbers of  
4 employers, and such information shall be furnished on request of the  
5 court, (e) to prohibit the disclosure of information and records to a  
6 collection agency contracting with the Tax Commissioner pursuant to  
7 sections 77-377.01 to 77-377.04, (f) to prohibit the disclosure of  
8 information pursuant to section 77-27,195, 77-4110, or 77-5731, (g) to  
9 prohibit the disclosure to the Public Employees Retirement Board of the  
10 addresses of individuals who are members of the retirement systems  
11 administered by the board, and such information shall be furnished to the  
12 board solely for purposes of its administration of the retirement systems  
13 upon written request, which request shall include the name and social  
14 security number of each individual for whom an address is requested, (h)  
15 to prohibit the disclosure of information to the Department of Labor  
16 necessary for the administration of the Employment Security Law, the  
17 Contractor Registration Act, or the Employee Classification Act, (i) to  
18 prohibit the disclosure to the Department of Motor Vehicles of tax return  
19 information pertaining to individuals, corporations, and businesses  
20 determined by the Department of Motor Vehicles to be delinquent in the  
21 payment of amounts due under agreements pursuant to the International  
22 Fuel Tax Agreement Act, and such disclosure shall be strictly limited to  
23 information necessary for the administration of the act, (j) to prohibit  
24 the disclosure under section 42-358.08, 43-512.06, or 43-3327 to any  
25 court-appointed individuals, the county attorney, any authorized  
26 attorney, or the Department of Health and Human Services of an absent  
27 parent's address, social security number, amount of income, health  
28 insurance information, and employer's name and address for the exclusive  
29 purpose of establishing and collecting child, spousal, or medical  
30 support, (k) to prohibit the disclosure of information to the Department  
31 of Insurance, the Nebraska State Historical Society, or the State

1 Historic Preservation Officer as necessary to carry out the Department of  
2 Revenue's responsibilities under the Nebraska Job Creation and Mainstreet  
3 Revitalization Act, or (1) to prohibit the disclosure to the Department  
4 of Insurance of information pertaining to authorization for, and use of,  
5 tax credits under the New Markets Job Growth Investment Act. Information  
6 so obtained shall be used for no other purpose. Any person who violates  
7 this subsection shall be guilty of a felony and shall upon conviction  
8 thereof be fined not less than one hundred dollars nor more than five  
9 hundred dollars, or be imprisoned not more than five years, or be both so  
10 fined and imprisoned, in the discretion of the court and shall be  
11 assessed the costs of prosecution. If the offender is an officer or  
12 employee of the state, he or she shall be dismissed from office and be  
13 ineligible to hold any public office in this state for a period of two  
14 years thereafter.

15 (7) Reports and returns required to be filed under income tax  
16 provisions of sections 77-2714 to 77-27,135 shall be preserved until the  
17 Tax Commissioner orders them to be destroyed.

18 (8) Notwithstanding the provisions of subsection (6) of this  
19 section, the Tax Commissioner may permit the Secretary of the Treasury of  
20 the United States or his or her delegates or the proper officer of any  
21 state imposing an income tax, or the authorized representative of either  
22 such officer, to inspect the income tax returns of any taxpayer or may  
23 furnish to such officer or his or her authorized representative an  
24 abstract of the return of income of any taxpayer or supply him or her  
25 with information concerning an item of income contained in any return or  
26 disclosed by the report of any investigation of the income or return of  
27 income of any taxpayer, but such permission shall be granted only if the  
28 statutes of the United States or of such other state, as the case may be,  
29 grant substantially similar privileges to the Tax Commissioner of this  
30 state as the officer charged with the administration of the income tax  
31 imposed by sections 77-2714 to 77-27,135.

1           (9) Notwithstanding the provisions of subsection (6) of this  
2 section, the Tax Commissioner may permit the Postal Inspector of the  
3 United States Postal Service or his or her delegates to inspect the  
4 reports or returns of any person filed pursuant to the Nebraska Revenue  
5 Act of 1967 when information on the reports or returns is relevant to any  
6 action or proceeding instituted or being considered by the United States  
7 Postal Service against such person for the fraudulent use of the mails to  
8 carry and deliver false and fraudulent tax returns to the Tax  
9 Commissioner with the intent to defraud the State of Nebraska or to evade  
10 the payment of Nebraska state taxes.

11           (10)(a) Notwithstanding the provisions of subsection (6) of this  
12 section, the Tax Commissioner shall, upon written request by the Auditor  
13 of Public Accounts or the office of Legislative Audit, make tax returns  
14 and tax return information open to inspection by or disclosure to  
15 officers and employees of the Auditor of Public Accounts or employees of  
16 the office of Legislative Audit for the purpose of and to the extent  
17 necessary in making an audit of the Department of Revenue pursuant to  
18 section 50-1205 or 84-304. The Auditor of Public Accounts or office of  
19 Legislative Audit shall statistically and randomly select the tax returns  
20 and tax return information to be audited based upon a computer tape  
21 provided by the Department of Revenue which contains only total  
22 population documents without specific identification of taxpayers. The  
23 Tax Commissioner shall have the authority to approve the statistical  
24 sampling method used by the Auditor of Public Accounts or office of  
25 Legislative Audit. Confidential tax returns and tax return information  
26 shall be audited only upon the premises of the Department of Revenue. All  
27 audit workpapers pertaining to the audit of the Department of Revenue  
28 shall be stored in a secure place in the Department of Revenue.

29           (b) When selecting tax returns or tax return information for a  
30 performance audit of a tax incentive program, the office of Legislative  
31 Audit shall select the tax returns or tax return information for either

1 all or a statistically and randomly selected sample of taxpayers who have  
2 applied for or who have qualified for benefits under the tax incentive  
3 program that is the subject of the audit. When the office of Legislative  
4 Audit reports on its review of tax returns and tax return information, it  
5 shall comply with subdivision (10)(c) of this section.

6 (c) No officer or employee of the Auditor of Public Accounts or  
7 office of Legislative Audit employee shall disclose to any person, other  
8 than another officer or employee of the Auditor of Public Accounts or  
9 office of Legislative Audit whose official duties require such  
10 disclosure, any return or return information described in the Nebraska  
11 Revenue Act of 1967 in a form which can be associated with or otherwise  
12 identify, directly or indirectly, a particular taxpayer.

13 (d) Any person who violates the provisions of this subsection shall  
14 be guilty of a Class IV felony and, in the discretion of the court, may  
15 be assessed the costs of prosecution. The guilty officer or employee  
16 shall be dismissed from employment and be ineligible to hold any position  
17 of employment with the State of Nebraska for a period of two years  
18 thereafter. For purposes of this subsection, officer or employee shall  
19 include a former officer or employee of the Auditor of Public Accounts or  
20 former employee of the office of Legislative Audit.

21 (11) For purposes of subsections (10) through (13) of this section:

22 (a) Tax returns shall mean any tax or information return or claim  
23 for refund required by, provided for, or permitted under sections 77-2714  
24 to 77-27,135 which is filed with the Tax Commissioner by, on behalf of,  
25 or with respect to any person and any amendment or supplement thereto,  
26 including supporting schedules, attachments, or lists which are  
27 supplemental to or part of the filed return;

28 (b) Return information shall mean:

29 (i) A taxpayer's identification number and (A) the nature, source,  
30 or amount of his or her income, payments, receipts, deductions,  
31 exemptions, credits, assets, liabilities, net worth, tax liability, tax

1 withheld, deficiencies, overassessments, or tax payments, whether the  
2 taxpayer's return was, is being, or will be examined or subject to other  
3 investigation or processing or (B) any other data received by, recorded  
4 by, prepared by, furnished to, or collected by the Tax Commissioner with  
5 respect to a return or the determination of the existence or possible  
6 existence of liability or the amount of liability of any person for any  
7 tax, penalty, interest, fine, forfeiture, or other imposition or offense;  
8 and

9 (ii) Any part of any written determination or any background file  
10 document relating to such written determination; and

11 (c) Disclosures shall mean the making known to any person in any  
12 manner a return or return information.

13 (12) The Auditor of Public Accounts shall (a) notify the Tax  
14 Commissioner in writing thirty days prior to the beginning of an audit of  
15 his or her intent to conduct an audit, (b) provide an audit plan, and (c)  
16 provide a list of the tax returns and tax return information identified  
17 for inspection during the audit. The office of Legislative Audit shall  
18 notify the Tax Commissioner of the intent to conduct an audit and of the  
19 scope of the audit as provided in section 50-1209.

20 (13) The Auditor of Public Accounts or the office of Legislative  
21 Audit shall, as a condition for receiving tax returns and tax return  
22 information: (a) Subject employees involved in the audit to the same  
23 confidential information safeguards and disclosure procedures as required  
24 of Department of Revenue employees; (b) establish and maintain a  
25 permanent system of standardized records with respect to any request for  
26 tax returns or tax return information, the reason for such request, and  
27 the date of such request and any disclosure of the tax return or tax  
28 return information; (c) establish and maintain a secure area or place in  
29 the Department of Revenue in which the tax returns, tax return  
30 information, or audit workpapers shall be stored; (d) restrict access to  
31 the tax returns or tax return information only to persons whose duties or

1 responsibilities require access; (e) provide such other safeguards as the  
2 Tax Commissioner determines to be necessary or appropriate to protect the  
3 confidentiality of the tax returns or tax return information; (f) provide  
4 a report to the Tax Commissioner which describes the procedures  
5 established and utilized by the Auditor of Public Accounts or office of  
6 Legislative Audit for insuring the confidentiality of tax returns, tax  
7 return information, and audit workpapers; and (g) upon completion of use  
8 of such returns or tax return information, return to the Tax Commissioner  
9 such returns or tax return information, along with any copies.

10 (14) The Tax Commissioner may permit other tax officials of this  
11 state to inspect the tax returns and reports filed under sections 77-2714  
12 to 77-27,135, but such inspection shall be permitted only for purposes of  
13 enforcing a tax law and only to the extent and under the conditions  
14 prescribed by the rules and regulations of the Tax Commissioner.

15 (15) The Tax Commissioner shall compile the school district  
16 information required by subsection (2) of this section. Insofar as it is  
17 possible, such compilation shall include, but not be limited to, the  
18 total adjusted gross income of each school district in the state. The Tax  
19 Commissioner shall adopt and promulgate such rules and regulations as may  
20 be necessary to insure that such compilation does not violate the  
21 confidentiality of any individual income tax return nor conflict with any  
22 other provisions of state or federal law.

23 Sec. 15. Section 79-422, Reissue Revised Statutes of Nebraska, is  
24 amended to read:

25 79-422 ~~(1)~~—Bonded indebtedness approved by legal voters prior to  
26 any change in school district boundary lines pursuant to sections 79-413  
27 to 79-421 shall remain the obligation of the school district voting such  
28 bonds unless otherwise specified in the petitions. When a district is  
29 dissolved by petitions and the area is attached to two or more districts,  
30 the petitions shall specify the disposition of assets and unbonded  
31 obligations of the original district.

1           ~~(2) Bonded indebtedness approved by legal voters for high school~~  
2 ~~facilities prior to the establishment of an affiliation shall remain the~~  
3 ~~obligation of the high school district unless otherwise specified in the~~  
4 ~~petitions.~~

5           Sec. 16. Section 79-433, Reissue Revised Statutes of Nebraska, is  
6 amended to read:

7           79-433 For purposes of the Reorganization of School Districts Act,  
8 unless the context otherwise requires:

9           (1) Reorganization of school districts means the formation of new  
10 school districts, the alteration of boundaries of established school  
11 districts that are not members of a learning community, ~~the affiliation~~  
12 ~~of school districts,~~ and the dissolution or disorganization of  
13 established school districts through or by means of any one or  
14 combination of the methods set out in section 79-434; and

15           (2) State committee means the State Committee for the Reorganization  
16 of School Districts created by section 79-435.

17           Sec. 17. Section 79-449, Reissue Revised Statutes of Nebraska, is  
18 amended to read:

19           79-449 Whenever two or more school districts are involved in a  
20 reorganization plan, the old districts shall continue to be responsible  
21 for any indebtedness incurred before the reorganization takes place  
22 unless a different arrangement is included in the plan voted upon by the  
23 people. ~~Bonded indebtedness incurred for high school facilities prior to~~  
24 ~~the adoption of any affiliation plan shall remain the obligation of the~~  
25 ~~high school district unless otherwise specified in the petitions.~~

26           Sec. 18. Section 79-611, Revised Statutes Cumulative Supplement,  
27 2018, is amended to read:

28           79-611 (1) The school board of any school district shall provide  
29 free transportation, partially provide free transportation, or pay an  
30 allowance for transportation in lieu of free transportation as follows:

31           (a) When a student attends an elementary school in his or her own

1 district and lives more than four miles from the public schoolhouse in  
2 such district as measured by the shortest route that must actually and  
3 necessarily be traveled by motor vehicle to reach the student's  
4 residence;

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

10 (c) When a student attends a secondary school in his or her own  
11 Class III school district and lives more than four miles from the  
12 secondary school ~~public schoolhouse~~ as measured by the shortest route  
13 that must actually and necessarily be traveled by motor vehicle to reach  
14 the student's residence. This subdivision does not apply to any  
15 elementary-only school district that merged with a high-school-only  
16 school district to form a new Class III school district on or after  
17 January 1, 1997, and before June 16, 2006; and

18 (d) When a student, other than a student in grades ten through  
19 twelve in a Class V district, attends an elementary or junior high school  
20 in his or her own Class V district and lives more than four miles from  
21 the school ~~public schoolhouse~~ in such district as measured by the  
22 shortest route that must actually and necessarily be traveled by motor  
23 vehicle to reach the student's residence.

24 (2)(a) For school years prior to school year 2017-18 and as required  
25 pursuant to subsection (3) of section 79-241, the school board of any  
26 school district that is a member of a learning community shall provide  
27 free transportation for a student who resides in such learning community  
28 and attends school in such school district if (i) the student is  
29 transferring pursuant to the open enrollment provisions of section  
30 79-2110, qualifies for free or reduced-price lunches, lives more than one  
31 mile from the school to which he or she transfers, and is not otherwise

1 disqualified under subdivision (2)(c) of this section, (ii) the student  
2 is transferring pursuant to the open enrollment provisions of section  
3 79-2110, is a student who contributes to the socioeconomic diversity of  
4 enrollment at the school building he or she attends, lives more than one  
5 mile from the school to which he or she transfers, and is not otherwise  
6 disqualified under subdivision (2)(c) of this section, (iii) the student  
7 is attending a focus school or program and lives more than one mile from  
8 the school building housing the focus school or program, or (iv) the  
9 student is attending a magnet school or program and lives more than one  
10 mile from the magnet school or the school housing the magnet program.

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

16 (c) For any student who resides within a learning community and  
17 transfers to another school building pursuant to the open enrollment  
18 provisions of section 79-2110 and who had not been accepted for open  
19 enrollment into any school building within such district prior to  
20 September 6, 2013, the school board is exempt from the requirement of  
21 subdivision (2)(a) of this section if (i) the student is transferring to  
22 another school building within his or her home school district or (ii)  
23 the student is transferring to a school building in a school district  
24 that does not share a common border with his or her home school district.

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

1 Such transportation allowance does not apply to students residing in a  
2 learning community who qualify for free or reduced-price lunches.

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

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

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

20 (5) When a student who qualifies under the mileage requirements of  
21 subsection (1) of this section lives more than three miles from the  
22 location where the student must be picked up and dropped off in order to  
23 access school-provided free transportation, as measured by the shortest  
24 route that must actually and necessarily be traveled by motor vehicle  
25 between his or her residence and such location, such school-provided  
26 transportation shall be deemed partially provided free transportation.  
27 School districts partially providing free transportation shall pay an  
28 allowance to the student's parent or guardian equal to two hundred  
29 eighty-five percent of the mileage rate provided in section 81-1176  
30 multiplied by each mile actually and necessarily traveled, on each day of  
31 attendance, beyond which the one-way distance from the residence of the

1 student to the location where the student must be picked up and dropped  
2 off exceeds three miles.

3 (6) The board may authorize school-provided transportation to any  
4 student who does not qualify under the mileage requirements of subsection  
5 (1) of this section and may charge a fee to the parent or guardian of the  
6 student for such service. No transportation payments shall be made to a  
7 family for mileage not actually traveled by such family. The number of  
8 days the student has attended school shall be reported monthly by the  
9 teacher to the board of such public school district.

10 (7) No more than one allowance shall be made to a family  
11 irrespective of the number of students in a family being transported to  
12 school.

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

15 Sec. 19. Section 79-719, Reissue Revised Statutes of Nebraska, is  
16 amended to read:

17 79-719 For purposes of sections 79-719 to 79-723, multicultural  
18 education includes, but is not limited to, studies relative to (1) the  
19 culture, history, and contributions of African Americans, Hispanic  
20 Americans, Native Americans, and Asian Americans and (2) the Holocaust  
21 and other acts of genocide. Special emphasis shall be placed on human  
22 relations and sensitivity toward all races.

23 Sec. 20. Section 79-8,133, Reissue Revised Statutes of Nebraska, is  
24 amended to read:

25 79-8,133 The Attracting Excellence to Teaching Program is created.  
26 For purposes of the Attracting Excellence to Teaching Program:

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

28 (2) Eligible institution means a not-for-profit college or  
29 university which (a) is located in Nebraska, (b) is accredited by an a  
30 regional accrediting agency recognized by the United States Department of  
31 Education as determined to be acceptable by the State Board of Education,

1 (c) has a teacher education program, and (d) if a privately funded  
2 college or university, has not opted out of the program pursuant to rules  
3 and regulations;

4 (3) Eligible student means an individual who (a) is a full-time  
5 student, (b) is enrolled in an eligible institution in an undergraduate  
6 or a graduate teacher education program working toward his or her initial  
7 certificate to teach in Nebraska, (c) if enrolled at a state-funded  
8 eligible institution, is a resident student as described in section  
9 85-502 or, if enrolled in a privately funded eligible institution, would  
10 be deemed a resident student if enrolled in a state-funded eligible  
11 institution, (d) for applicants applying for the first time on or after  
12 April 23, 2009, is a student majoring in a shortage area, and (e) for  
13 applicants applying to receive a loan during fiscal year 2011-12 or  
14 2012-13, is a student who previously received a loan pursuant to the  
15 Attracting Excellence to Teaching Program in the fiscal year immediately  
16 preceding the fiscal year in which the new loan would be received;

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

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

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

28 (7) Teacher education program means a program of study approved by  
29 the State Board of Education pursuant to subdivision (5)(g) of section  
30 79-318.

31 Sec. 21. Section 79-8,137.01, Revised Statutes Cumulative

1 Supplement, 2018, is amended to read:

2 79-8,137.01 The Enhancing Excellence in Teaching Program is created.

3 For purposes of the Enhancing Excellence in Teaching Program:

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

5 (2) Eligible graduate program means a program of study offered by an  
6 eligible institution which results in obtaining a graduate degree or a  
7 graduate course of study leading to an endorsement in a shortage area  
8 specified by the State Board of Education;

9 (3) Eligible institution means a not-for-profit college or  
10 university which (a) is located in Nebraska, (b) is accredited by an a  
11 ~~regional~~ accrediting agency recognized by the United States Department of  
12 Education as determined to be acceptable by the State Board of Education,  
13 (c) has a teacher education program, and (d) if a privately funded  
14 college or university, has not opted out of the Enhancing Excellence in  
15 Teaching Program pursuant to rules and regulations;

16 (4) Eligible student means an individual who (a) is a certificated  
17 teacher employed to teach in an approved or accredited school in  
18 Nebraska, (b) is enrolled in an eligible graduate program, (c) if  
19 enrolled at a state-funded eligible institution, is a resident student as  
20 described in section 85-502 or, if enrolled in a privately funded  
21 eligible institution, would be deemed a resident student if enrolled in a  
22 state-funded eligible institution, (d) is majoring in a shortage area,  
23 curriculum and instruction, a subject area in which the individual  
24 already holds a secular teaching endorsement, or a subject area that will  
25 result in an additional secular teaching endorsement which the  
26 superintendent of the school district or head administrator of the  
27 private, denominational, or parochial school employing the individual  
28 believes will be beneficial to the students of such school district or  
29 school as evidenced by a statement signed by the superintendent or head  
30 administrator, and (e) is applying for a loan pursuant to the Enhancing  
31 Excellence in Teaching Program to be received at a time other than during

1 fiscal year 2011-12 or 2012-13;

2 (5) Majoring in a shortage area or subject area means pursuing a  
3 degree or course of study which will allow an individual to be properly  
4 endorsed to teach in such shortage area or subject area; and

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

9 Sec. 22. Section 79-1003, Revised Statutes Supplement, 2019, is  
10 amended to read:

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

13 (1) Adjusted general fund operating expenditures means (a) ~~for~~  
14 ~~school fiscal years 2013-14 through 2015-16, the difference of the~~  
15 ~~general fund operating expenditures as calculated pursuant to subdivision~~  
16 ~~(23) of this section increased by the cost growth factor calculated~~  
17 ~~pursuant to section 79-1007.10, minus the transportation allowance,~~  
18 ~~special receipts allowance, poverty allowance, limited English~~  
19 ~~proficiency allowance, distance education and telecommunications~~  
20 ~~allowance, elementary site allowance, summer school allowance,~~  
21 ~~instructional time allowance, teacher education allowance, and focus~~  
22 ~~school and program allowance, (b) for school fiscal years 2016-17 through~~  
23 ~~2018-19, the difference of the general fund operating expenditures as~~  
24 ~~calculated pursuant to subdivision (23) of this section increased by the~~  
25 ~~cost growth factor calculated pursuant to section 79-1007.10, minus the~~  
26 ~~transportation allowance, special receipts allowance, poverty allowance,~~  
27 ~~limited English proficiency allowance, distance education and~~  
28 ~~telecommunications allowance, elementary site allowance, summer school~~  
29 ~~allowance, and focus school and program allowance, and (b) (e) for school~~  
30 ~~fiscal year 2019-20 and each school fiscal year thereafter, the~~  
31 ~~difference of the general fund operating expenditures as calculated~~

1 pursuant to subdivision (23) of this section increased by the cost growth  
2 factor calculated pursuant to section 79-1007.10, minus the  
3 transportation allowance, special receipts allowance, poverty allowance,  
4 limited English proficiency allowance, distance education and  
5 telecommunications allowance, elementary site allowance, summer school  
6 allowance, community achievement plan allowance, and focus school and  
7 program allowance;

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

18 (3) Allocated income tax funds means the amount of assistance paid  
19 to a local system pursuant to section 79-1005.01;

20 (4) Average daily membership means the average daily membership for  
21 grades kindergarten through twelve attributable to the local system, as  
22 provided in each district's annual statistical summary, and includes the  
23 proportionate share of students enrolled in a public school instructional  
24 program on less than a full-time basis;

25 (5) Base fiscal year means the first school fiscal year following  
26 the school fiscal year in which the reorganization or unification  
27 occurred;

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

29 (7) Categorical funds means funds limited to a specific purpose by  
30 federal or state law, including, but not limited to, Title I funds, Title  
31 VI funds, federal career and technical ~~vocational~~ education funds,

1 federal school lunch funds, Indian education funds, Head Start funds, and  
2 funds from the Nebraska Education Improvement Innovation Fund;

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

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

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

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

21 (12) District means any school district or unified system as defined  
22 in section 79-4,108;

23 (13) Ensuing school fiscal year means the school fiscal year  
24 following the current school fiscal year;

25 (14) Equalization aid means the amount of assistance calculated to  
26 be paid to a local system pursuant to section 79-1008.01;

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

31 (16) Fiscal year means the state fiscal year which is the period

1 from July 1 to the following June 30;

2 (17) Formula students means:

3 (a) For state aid certified pursuant to section 79-1022, the sum of  
4 the product of fall membership from the school fiscal year immediately  
5 preceding the school fiscal year in which the aid is to be paid  
6 multiplied by the average ratio of average daily membership to fall  
7 membership for the second school fiscal year immediately preceding the  
8 school fiscal year in which the aid is to be paid and the prior two  
9 school fiscal years plus sixty percent of the qualified early childhood  
10 education fall membership plus tuitioned students from the school fiscal  
11 year immediately preceding the school fiscal year in which aid is to be  
12 paid minus the product of the number of students enrolled in kindergarten  
13 that is not full-day kindergarten from the fall membership multiplied by  
14 0.5; and

15 (b) For the final calculation of state aid pursuant to section  
16 79-1065, the sum of average daily membership plus sixty percent of the  
17 qualified early childhood education average daily membership plus  
18 tuitioned students minus the product of the number of students enrolled  
19 in kindergarten that is not full-day kindergarten from the average daily  
20 membership multiplied by 0.5 from the school fiscal year immediately  
21 preceding the school fiscal year in which aid was paid;

22 (18) Free lunch and free milk calculated students means, using the  
23 most recent data available on November 1 of the school fiscal year  
24 immediately preceding the school fiscal year in which aid is to be paid,

25 (a) for schools that did not provide free meals to all students pursuant  
26 to the community eligibility provision, students who individually  
27 qualified for free lunches or free milk pursuant to the federal Richard  
28 B. Russell National School Lunch Act, 42 U.S.C. 1751 et seq., and the  
29 federal Child Nutrition Act of 1966, 42 U.S.C. 1771 et seq., as such acts  
30 and sections existed on January 1, 2015, and rules and regulations  
31 adopted thereunder, plus (b) for schools that provided free meals to all

1 students pursuant to the community eligibility provision, (i) for school  
2 fiscal year 2016-17, the product of the students who attended such school  
3 multiplied by the identified student percentage calculated pursuant to  
4 such federal provision or (ii) for school fiscal year 2017-18 and each  
5 school fiscal year thereafter, the greater of the number of students in  
6 such school who individually qualified for free lunch or free milk using  
7 the most recent school fiscal year for which the school did not provide  
8 free meals to all students pursuant to the community eligibility  
9 provision or one hundred ten percent of the product of the students who  
10 qualified for free meals at such school pursuant to the community  
11 eligibility provision multiplied by the identified student percentage  
12 calculated pursuant to such federal provision, except that the free lunch  
13 and free milk students calculated for any school pursuant to subdivision  
14 (18)(b)(ii) of this section shall not exceed one hundred percent of the  
15 students qualified for free meals at such school pursuant to the  
16 community eligibility provision;

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

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

24 (21) General fund budget of expenditures means the total budget of  
25 disbursements and transfers for general fund purposes as certified in the  
26 budget statement adopted pursuant to the Nebraska Budget Act, except that  
27 for purposes of the limitation imposed in section 79-1023, the general  
28 fund budget of expenditures does not include any special grant funds,  
29 exclusive of local matching funds, received by a district;

30 (22) General fund expenditures means all expenditures from the  
31 general fund;

1           (23) General fund operating expenditures means for state aid  
2 calculated for ~~school fiscal years 2012-13~~ and each school fiscal year  
3 ~~thereafter~~, as reported on the annual financial report for the second  
4 school fiscal year immediately preceding the school fiscal year in which  
5 aid is to be paid, the total general fund expenditures minus (a) the  
6 amount of all receipts to the general fund, to the extent that such  
7 receipts are not included in local system formula resources, from early  
8 childhood education tuition, summer school tuition, educational entities  
9 as defined in section 79-1201.01 for providing distance education courses  
10 through the Educational Service Unit Coordinating Council to such  
11 educational entities, private foundations, individuals, associations,  
12 charitable organizations, the textbook loan program authorized by section  
13 79-734, federal impact aid, and levy override elections pursuant to  
14 section 77-3444, (b) the amount of expenditures for categorical funds,  
15 tuition paid to other school districts, tuition paid to postsecondary  
16 institutions for college credit, transportation fees paid to other  
17 districts, adult education, community services, redemption of the  
18 principal portion of general fund debt service, retirement incentive  
19 plans authorized by section 79-855, and staff development assistance  
20 authorized by section 79-856, (c) the amount of any transfers from the  
21 general fund to any bond fund and transfers from other funds into the  
22 general fund, (d) any legal expenses in excess of fifteen-hundredths of  
23 one percent of the formula need for the school fiscal year in which the  
24 expenses occurred, (e)(i) for state aid calculated for school fiscal  
25 years prior to school fiscal year 2018-19, expenditures to pay for sums  
26 agreed to be paid by a school district to certificated employees in  
27 exchange for a voluntary termination occurring prior to July 1, 2009,  
28 occurring on or after the last day of the 2010-11 school year and prior  
29 to the first day of the 2013-14 school year, or, to the extent that a  
30 district has demonstrated to the State Board of Education pursuant to  
31 section 79-1028.01 that the agreement will result in a net savings in

1 salary and benefit costs to the school district over a five-year period,  
2 occurring on or after the first day of the 2013-14 school year or (ii)  
3 for state aid calculated for school fiscal year 2018-19 and each school  
4 fiscal year thereafter, expenditures to pay for incentives agreed to be  
5 paid by a school district to certificated employees in exchange for a  
6 voluntary termination of employment for which the State Board of  
7 Education approved an exclusion pursuant to subdivision (1)(h), (i), (j),  
8 or (k) of section 79-1028.01, (f)(i) expenditures to pay for employer  
9 contributions pursuant to subsection (2) of section 79-958 to the School  
10 Employees Retirement System of the State of Nebraska to the extent that  
11 such expenditures exceed the employer contributions under such subsection  
12 that would have been made at a contribution rate of seven and thirty-five  
13 hundredths percent or (ii) expenditures to pay for school district  
14 contributions pursuant to subdivision (1)(c)(i) or (1)(d)(i) of section  
15 79-9,113 to the retirement system established pursuant to the Class V  
16 School Employees Retirement Act to the extent that such expenditures  
17 exceed the school district contributions under such subdivision that  
18 would have been made at a contribution rate of seven and thirty-seven  
19 hundredths percent, and (g) any amounts paid by the district for lobbyist  
20 fees and expenses reported to the Clerk of the Legislature pursuant to  
21 section 49-1483.

22 For purposes of this subdivision (23) of this section, receipts from  
23 levy override elections shall equal ninety-nine percent of the difference  
24 of the total general fund levy minus a levy of one dollar and five cents  
25 per one hundred dollars of taxable valuation multiplied by the assessed  
26 valuation for school districts that have voted pursuant to section  
27 77-3444 to override the maximum levy provided pursuant to section  
28 77-3442;

29 (24) Income tax liability means the amount of the reported income  
30 tax liability for resident individuals pursuant to the Nebraska Revenue  
31 Act of 1967 less all nonrefundable credits earned and refunds made;

1 (25) Income tax receipts means the amount of income tax collected  
2 pursuant to the Nebraska Revenue Act of 1967 less all nonrefundable  
3 credits earned and refunds made;

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

12 (27) Local system means a unified system or a school district;

13 (28) Low-income child means ~~(a) for school fiscal years prior to~~  
14 ~~2016-17, a child under nineteen years of age living in a household having~~  
15 ~~an annual adjusted gross income for the second calendar year preceding~~  
16 ~~the beginning of the school fiscal year for which aid is being calculated~~  
17 ~~equal to or less than the maximum household income that would allow a~~  
18 ~~student from a family of four people to be a free lunch and free milk~~  
19 ~~student during the school fiscal year immediately preceding the school~~  
20 ~~fiscal year for which aid is being calculated and (b) for school fiscal~~  
21 ~~year 2016-17 and each school fiscal year thereafter, a child under~~  
22 ~~nineteen years of age living in a household having an annual adjusted~~  
23 ~~gross income for the second calendar year preceding the beginning of the~~  
24 ~~school fiscal year for which aid is being calculated equal to or less~~  
25 ~~than the maximum household income pursuant to sections 9(b)(1) and 17(c)~~  
26 ~~(4) of the Richard B. Russell National School Lunch Act, 42 U.S.C.~~  
27 ~~1758(b)(1) and 42 U.S.C. 1766(c)(4), respectively, and sections 3(a)(6)~~  
28 ~~and 4(e)(1)(A) of the Child Nutrition Act of 1966, 42 U.S.C. 1772(a)(6)~~  
29 ~~and 42 U.S.C. 1773(e)(1)(A), respectively, as such acts and sections~~  
30 ~~existed on January 1, 2015, for a household of that size that would have~~  
31 ~~allowed the child to meet the income qualifications for free meals during~~

1 the school fiscal year immediately preceding the school fiscal year for  
2 which aid is being calculated;

3 (29) Low-income students means the number of low-income children  
4 within the district multiplied by the ratio of the formula students in  
5 the district divided by the total children under nineteen years of age  
6 residing in the district as derived from income tax information;

7 (30) Most recently available complete data year means the most  
8 recent single school fiscal year for which the annual financial report,  
9 fall school district membership report, annual statistical summary,  
10 Nebraska income tax liability by school district for the calendar year in  
11 which the majority of the school fiscal year falls, and adjusted  
12 valuation data are available;

13 (31) Poverty students means ~~(a) for school fiscal years prior to~~  
14 ~~2016-17, the number of low income students or the number of students who~~  
15 ~~are free lunch and free milk students in a district plus the difference~~  
16 ~~of the number of low income students or the number of students who are~~  
17 ~~free lunch and free milk students in a district, whichever is greater,~~  
18 ~~minus the average number of poverty students for such district, prior to~~  
19 ~~such addition, for the three immediately preceding school fiscal years if~~  
20 ~~such difference is greater than zero and (b) for school fiscal year~~  
21 ~~2016-17 and each school fiscal year thereafter,~~ the unadjusted poverty  
22 students plus the difference of such unadjusted poverty students minus  
23 the average number of poverty students for such district, prior to such  
24 addition, for the three immediately preceding school fiscal years if such  
25 difference is greater than zero;

26 (32) Qualified early childhood education average daily membership  
27 means the product of the average daily membership ~~for school fiscal year~~  
28 ~~2006-07 and each school fiscal year thereafter~~ of students who will be  
29 eligible to attend kindergarten the following school year and are  
30 enrolled in an early childhood education program approved by the  
31 department pursuant to section 79-1103 for such school district for such

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

9 (33) Qualified early childhood education fall membership means the  
10 product of membership on October 1 of each school year of students who  
11 will be eligible to attend kindergarten the following school year and are  
12 enrolled in an early childhood education program approved by the  
13 department pursuant to section 79-1103 for such school district for such  
14 school year multiplied by the ratio of the planned instructional hours of  
15 the program divided by one thousand thirty-two if: (a) The program is  
16 receiving a grant pursuant to such section for the third year; (b) the  
17 program has already received grants pursuant to such section for three  
18 years; or (c) the program has been approved pursuant to subsection (5) of  
19 section 79-1103 for such school year and the two preceding school years,  
20 including any such students in portions of any of such programs receiving  
21 an expansion grant;

22 (34) Regular route transportation means the transportation of  
23 students on regularly scheduled daily routes to and from the schools such  
24 students attend attendance center;

25 (35) Reorganized district means any district involved in a  
26 consolidation and currently educating students following consolidation;

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

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

31 (a)(i) Less than two students per square mile in the county in which

1 each high school is located, based on the school district census, (ii)  
2 less than one formula student per square mile in the local system, and  
3 (iii) more than ten miles between each high school ~~attendance center~~ and  
4 the next closest high school ~~attendance center~~ on paved roads;

5 (b)(i) Less than one and one-half formula students per square mile  
6 in the local system and (ii) more than fifteen miles between each high  
7 school ~~attendance center~~ and the next closest high school ~~attendance~~  
8 ~~center~~ on paved roads;

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

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

16 (38) Special education means specially designed kindergarten through  
17 grade twelve instruction pursuant to section 79-1125, and includes  
18 special education transportation;

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

26 (40) State aid means the amount of assistance paid to a district  
27 pursuant to the Tax Equity and Educational Opportunities Support Act;

28 (41) State board means the State Board of Education;

29 (42) State support means all funds provided to districts by the  
30 State of Nebraska for the general fund support of elementary and  
31 secondary education;

1           (43) Statewide average basic funding per formula student means the  
2 statewide total basic funding for all districts divided by the statewide  
3 total formula students for all districts;

4           (44) Statewide average general fund operating expenditures per  
5 formula student means the statewide total general fund operating  
6 expenditures for all districts divided by the statewide total formula  
7 students for all districts;

8           (45) Teacher has the definition found in section 79-101;

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

20           (46) ~~(47)~~ Tuition receipts from converted contracts means tuition  
21 receipts received by a district from another district in the most  
22 recently available complete data year pursuant to a converted contract  
23 prior to the expiration of the contract;

24           (47) ~~(48)~~ Tuitioned students means students in kindergarten through  
25 grade twelve of the district whose tuition is paid by the district to  
26 some other district or education agency;

27           (48) ~~(49)~~ Unadjusted poverty students means, ~~for school fiscal year~~  
28 ~~2016-17 and each school fiscal year thereafter,~~ the greater of the number  
29 of low-income students or the free lunch and free milk calculated  
30 students in a district; and

31           (49) ~~(50)~~ Very sparse local system means a local system that has:

1 (a)(i) Less than one-half student per square mile in each county in  
2 which each high school attendance center is located based on the school  
3 district census, (ii) less than one formula student per square mile in  
4 the local system, and (iii) more than fifteen miles between the high  
5 school attendance center and the next closest high school attendance  
6 center on paved roads; or

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

12 Sec. 23. Section 79-1007.11, Revised Statutes Cumulative Supplement,  
13 2018, is amended to read:

14 79-1007.11 ~~(1) Except as otherwise provided in this section, for~~  
15 ~~school fiscal years 2013-14 through 2015-16, each school district's~~  
16 ~~formula need shall equal the difference of the sum of the school~~  
17 ~~district's basic funding, poverty allowance, limited English proficiency~~  
18 ~~allowance, focus school and program allowance, summer school allowance,~~  
19 ~~special receipts allowance, transportation allowance, elementary site~~  
20 ~~allowance, instructional time allowance, teacher education allowance,~~  
21 ~~distance education and telecommunications allowance, averaging~~  
22 ~~adjustment, new learning community transportation adjustment, student~~  
23 ~~growth adjustment, any positive student growth adjustment correction, and~~  
24 ~~new school adjustment, minus the sum of the limited English proficiency~~  
25 ~~allowance correction, poverty allowance correction, and any negative~~  
26 ~~student growth adjustment correction.~~

27 ~~(2) Except as otherwise provided in this section, for school fiscal~~  
28 ~~year 2016-17, each school district's formula need shall equal the~~  
29 ~~difference of the sum of the school district's basic funding, poverty~~  
30 ~~allowance, limited English proficiency allowance, focus school and~~  
31 ~~program allowance, summer school allowance, special receipts allowance,~~

1 ~~transportation allowance, elementary site allowance, distance education~~  
2 ~~and telecommunications allowance, averaging adjustment, new learning~~  
3 ~~community transportation adjustment, student growth adjustment, any~~  
4 ~~positive student growth adjustment correction, and new school adjustment,~~  
5 ~~minus the sum of the limited English proficiency allowance correction,~~  
6 ~~poverty allowance correction, and any negative student growth adjustment~~  
7 ~~correction.~~

8       (1) ~~(3)~~ Except as otherwise provided in this section, for school  
9 fiscal years 2017-18 and 2018-19, each school district's formula need  
10 shall equal the difference of the sum of the school district's basic  
11 funding, poverty allowance, poverty allowance adjustment, limited English  
12 proficiency allowance, focus school and program allowance, summer school  
13 allowance, special receipts allowance, transportation allowance,  
14 elementary site allowance, distance education and telecommunications  
15 allowance, averaging adjustment, new community achievement plan  
16 adjustment, student growth adjustment, any positive student growth  
17 adjustment correction, and new school adjustment minus the sum of the  
18 limited English proficiency allowance correction, poverty allowance  
19 correction, and any negative student growth adjustment correction.

20       (2) ~~(4)~~ Except as otherwise provided in this section, for school  
21 fiscal year 2019-20 and each school fiscal year thereafter, each school  
22 district's formula need shall equal the difference of the sum of the  
23 school district's basic funding, poverty allowance, limited English  
24 proficiency allowance, focus school and program allowance, summer school  
25 allowance, special receipts allowance, transportation allowance,  
26 elementary site allowance, distance education and telecommunications  
27 allowance, community achievement plan allowance, averaging adjustment,  
28 new community achievement plan adjustment, student growth adjustment, any  
29 positive student growth adjustment correction, and new school adjustment  
30 minus the sum of the limited English proficiency allowance correction,  
31 poverty allowance correction, and any negative student growth adjustment

1 correction.

2 (3) ~~(5)~~ If the formula need calculated for a school district  
3 pursuant to subsections (1) and (2) ~~through (4)~~ of this section is less  
4 than one hundred percent of the formula need for such district for the  
5 school fiscal year immediately preceding the school fiscal year for which  
6 aid is being calculated, the formula need for such district shall equal  
7 one hundred percent of the formula need for such district for the school  
8 fiscal year immediately preceding the school fiscal year for which aid is  
9 being calculated.

10 (4) ~~(6)~~ If the formula need calculated for a school district  
11 pursuant to subsections (1) and (2) ~~through (4)~~ of this section is more  
12 than one hundred twelve percent of the formula need for such district for  
13 the school fiscal year immediately preceding the school fiscal year for  
14 which aid is being calculated, the formula need for such district shall  
15 equal one hundred twelve percent of the formula need for such district  
16 for the school fiscal year immediately preceding the school fiscal year  
17 for which aid is being calculated, except that the formula need shall not  
18 be reduced pursuant to this subsection for any district receiving a  
19 student growth adjustment for the school fiscal year for which aid is  
20 being calculated.

21 (5) ~~(7)~~ For purposes of subsections (3) and (4) ~~(5) and (6)~~ of this  
22 section, the formula need for the school fiscal year immediately  
23 preceding the school fiscal year for which aid is being calculated shall  
24 be the formula need used in the final calculation of aid pursuant to  
25 section 79-1065 and for districts that were affected by a reorganization  
26 with an effective date in the calendar year preceding the calendar year  
27 in which aid is certified for the school fiscal year for which aid is  
28 being calculated, the formula need for the school fiscal year immediately  
29 preceding the school fiscal year for which aid is being calculated shall  
30 be attributed to the affected school districts based on information  
31 provided to the department by the school districts or proportionally

1 based on the adjusted valuation transferred if sufficient information has  
2 not been provided to the department.

3 Sec. 24. Section 79-1035, Revised Statutes Cumulative Supplement,  
4 2018, is amended to read:

5 79-1035 (1)(a) The State Treasurer shall, each year on or before the  
6 third Monday in January, make a complete exhibit of all money belonging  
7 to the permanent school fund and the temporary school fund as returned to  
8 him or her from the several counties, together with the amount derived  
9 from other sources, and deliver such exhibit duly certified to the  
10 Commissioner of Education.

11 (b) Beginning in 2016 and ending December 31, 2020 ~~each year~~  
12 ~~thereafter~~, the exhibit required in subdivision (1)(a) of this section  
13 shall include a separate accounting, not to exceed an amount of ten  
14 million dollars, of the income from solar and wind agreements on school  
15 lands. The amount of income from solar and wind agreements on school  
16 lands shall be used to fund the grants described in section 79-308. The  
17 Board of Educational Lands and Funds shall provide the State Treasurer  
18 with the information necessary to make the exhibit required by this  
19 subsection. Separate accounting shall not be made for income from solar  
20 or wind agreements on school lands that exceeds the sum of ten million  
21 dollars.

22 (2) On or before February 25 following receipt of the exhibit from  
23 the State Treasurer pursuant to subsection (1) of this section, the  
24 Commissioner of Education shall make the apportionment of the temporary  
25 school fund to each school district as follows: From the whole amount,  
26 ~~less the amount of income from solar and wind agreements on school lands,~~  
27 there shall be paid to those districts in which there are school or  
28 saline lands, which lands are used for a public purpose, an amount in  
29 lieu of tax money that would be raised if such lands were taxable, to be  
30 fixed in the manner prescribed in section 79-1036; and the remainder  
31 shall be apportioned to the districts according to the pro rata

1 enumeration of children who are five through eighteen years of age in  
2 each district last returned from the school district. The calculation of  
3 apportionment for each school fiscal year shall include any corrections  
4 to the prior school fiscal year's apportionment.

5 (3) The Commissioner of Education shall certify the amount of the  
6 apportionment of the temporary school fund as provided in subsection (2)  
7 of this section to the Director of Administrative Services. The Director  
8 of Administrative Services shall draw a warrant on the State Treasurer in  
9 favor of the various districts for the respective amounts so certified by  
10 the Commissioner of Education.

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

13 Sec. 25. Section 79-1065.02, Revised Statutes Cumulative Supplement,  
14 2018, is amended to read:

15 79-1065.02 (1) State aid payments pursuant to the Tax Equity and  
16 Educational Opportunities Support Act and payments of core services and  
17 technology infrastructure funds pursuant to section 79-1241.03 shall be  
18 adjusted when property within the boundaries of a school district or  
19 educational service unit is transferred to another school district or  
20 educational service unit ~~due to a change in school district boundaries~~ in  
21 response to annexation of the transferred property by a city or village.

22 (2)(a) For a school district to ~~(2) To~~ qualify for additional state  
23 aid pursuant to this section, the school district from which property is  
24 being transferred shall apply on a form prescribed by the State  
25 Department of Education on or before August 20 preceding the first school  
26 fiscal year for which the property will not be available for taxation for  
27 the school district's general fund levy. ~~On or before such deadline, the~~  
28 ~~applicant school district shall send copies of the application to the~~  
29 ~~high school districts of the local systems receiving valuation in the~~  
30 ~~transfer. For purposes of this section, property is deemed transferred~~  
31 ~~from the school district whether the property was within the boundaries~~

1 of the school district or the property was affiliated with the school  
2 district.

3 (b) For an educational service unit to qualify for additional core  
4 services and technology infrastructure funds pursuant to this section,  
5 the educational service unit from which property is being transferred  
6 shall apply on a form prescribed by the State Department of Education on  
7 or before August 20 preceding the first school fiscal year for which the  
8 property will not be available for taxation for the educational service  
9 unit's general fund levy.

10 (3)(a) (3) Upon receipt of an the application from a school  
11 district, the department, with the assistance of the Property Tax  
12 Administrator, shall calculate the amount of additional state aid, if  
13 any, that the local system, as defined in section 79-1003, for the  
14 applicant school district would have received for such school fiscal year  
15 if the adjusted valuation for the transferred property had not been  
16 included in the adjusted valuation of such local system for the  
17 calculation of state aid for such school fiscal year. On or before  
18 September 20 of such school fiscal year, the department shall certify to  
19 the applicant school district the amount of additional state aid, if any,  
20 such school the district will receive. Except as otherwise provided in  
21 this subdivision subsection, if such applicant school district receives a  
22 lump-sum payment pursuant to subsection (2) of section 79-1022, such  
23 lump-sum payment shall be increased by the amount of additional state  
24 aid. Except as otherwise provided in this subdivision subsection, if such  
25 applicant school district does not receive a lump-sum payment pursuant to  
26 such subsection (2) of section 79-1022, state aid payments shall be  
27 increased by one-tenth of the amount of additional state aid for each of  
28 the ten state aid payments for such school fiscal year. If a portion of  
29 the total reduction calculated pursuant to subdivision (4)(a) subsection  
30 (4) of this section for local systems receiving valuation in the transfer  
31 of property that is the subject of the application is delayed until

1 future years, the additional state aid to be paid in the school fiscal  
2 year described in subdivision (2)(a) subsection (2) of this section shall  
3 be reduced by the amount of the total reduction that is delayed until  
4 future years. The amount of the reduction shall be paid as additional aid  
5 in the next school fiscal year.

6 (b) Upon receipt of an application from an educational service unit,  
7 the department, with the assistance of the Property Tax Administrator,  
8 shall calculate the amount of additional core services and technology  
9 infrastructure funds, if any, that such educational service unit would  
10 have received for such school fiscal year if the adjusted valuation for  
11 the transferred property had not been included in the adjusted valuation  
12 of such educational service unit for the calculation of core services and  
13 technology infrastructure funds for such school fiscal year. On or before  
14 September 20 of such school fiscal year, the department shall certify to  
15 the applicant educational service unit the amount of additional core  
16 services and technology infrastructure funds, if any, such educational  
17 service unit will receive. Except as otherwise provided in this  
18 subdivision, payments of core services and technology infrastructure  
19 funds shall be increased by one-tenth of the amount of any additional  
20 core services and technology infrastructure funds for each of the ten  
21 payments of core services and technology infrastructure funds for such  
22 school fiscal year. If a portion of the total reduction calculated  
23 pursuant to subdivision (4)(a) of this section for an educational service  
24 unit receiving valuation in the transfer of property that is the subject  
25 of the application is delayed until future years, the additional state  
26 aid or core services and technology infrastructure funds to be paid to  
27 the applicant educational service unit in the school fiscal year  
28 described in subdivision (2)(b) of this section shall be reduced by the  
29 amount of the total reduction that is delayed until future years. The  
30 amount of the reduction shall be paid as additional core services and  
31 technology infrastructure funds to such educational service unit in the

1 next school fiscal year.

2 ~~(4)(a) (4)~~ The state aid payments shall be reduced for the high  
3 school districts ~~district~~ of each receiving local system. An amount equal  
4 to the additional state aid calculated pursuant to subdivision (3)(a)  
5 ~~subsection (3)~~ of this section for the local system of an applicant  
6 school district shall be attributed to the local systems receiving  
7 valuation in such transfer based upon the ratio of the adjusted valuation  
8 received by each local system divided by the total adjusted valuation  
9 transferred from the applicant school district. For any ~~If such high~~  
10 school district of a receiving local system that receives a lump-sum  
11 payment pursuant to subsection (2) of section 79-1022, such lump-sum  
12 payment shall be reduced by the amount attributed to the receiving local  
13 system. For any ~~If the high~~ school district of a receiving local system  
14 that does not receive a lump-sum payment pursuant to such subsection (2)  
15 of section 79-1022, state aid payments shall be reduced by one-tenth of  
16 the amount attributed to such receiving local system for each of the ten  
17 state aid payments for such school fiscal year. If the total reduction is  
18 greater than the total state aid payments for such school fiscal year,  
19 the remainder shall be subtracted from state aid payments in future  
20 school fiscal years until the total reduction has been subtracted from  
21 state aid payments. On or before September 20 of such school fiscal year,  
22 the department shall certify to each ~~the high~~ school district of the  
23 receiving local system the amount of the reduction in state aid.

24 (b) Core services and technology infrastructure funds shall be  
25 reduced for each receiving educational service unit. An amount equal to  
26 the additional core services and technology infrastructure funds  
27 calculated pursuant to subdivision (3)(b) of this section for the  
28 applicant educational service unit shall be attributed to the educational  
29 service units receiving valuation in such transfer based upon the ratio  
30 of the adjusted valuation received by each educational service unit  
31 divided by the total adjusted valuation transferred from the applicant

1 educational service unit. Core services and technology infrastructure  
2 funds shall be reduced by one-tenth of the amount attributed to any such  
3 receiving educational service unit for each of the ten payments of core  
4 services and technology infrastructure funds for such school fiscal year.  
5 If the total reduction is greater than the total payments of core  
6 services and technology infrastructure funds for any such educational  
7 service unit for such school fiscal year, the remainder shall be  
8 subtracted from payments of core services and technology infrastructure  
9 funds in future school fiscal years until the total reduction has been  
10 subtracted from such payments. On or before September 20 of such school  
11 fiscal year, the department shall certify to the receiving educational  
12 service units the amount of the reduction in core services and technology  
13 infrastructure funds.

14 (5) For purposes of the final calculation of state aid for school  
15 districts pursuant to section 79-1065, the adjusted valuation of the  
16 property that was transferred shall also be transferred for purposes of  
17 adjusted valuation for the final calculation of state aid. For  
18 determining adjustments in state aid pursuant to section 79-1065, the  
19 final calculation of state aid shall be compared to the state aid  
20 certified for such school fiscal year combined with any adjustments in  
21 state aid payments and transfers from other school districts pursuant to  
22 this section.

23 Sec. 26. Section 79-1074, Revised Statutes Supplement, 2019, is  
24 amended to read:

25 79-1074 ~~(1)~~—The county clerk of any county in which a part of a  
26 ~~joint~~ school district or learning community is located shall, on or  
27 before the date prescribed in subsection (1) of section 13-509, certify  
28 the taxable valuation of all taxable property of such part of the school  
29 ~~joint~~ district or learning community to the clerk of the headquarters  
30 county in which the schoolhouse or the administrative office of the  
31 school district or learning community is located.

1           ~~(2) The county clerk of any county in which a part of a joint~~  
2 ~~affiliated school system or learning community is located shall, on or~~  
3 ~~before the date prescribed in subsection (1) of section 13-509, certify~~  
4 ~~the taxable valuation of all taxable property of such part of the joint~~  
5 ~~affiliated school system or learning community to the clerk of the~~  
6 ~~headquarters county in which the schoolhouse or the administrative office~~  
7 ~~of the high school district or learning community is located.~~

8           Sec. 27. Section 79-1075, Revised Statutes Cumulative Supplement,  
9 2018, is amended to read:

10           79-1075 ~~(1)~~The county board of the county in which is located the  
11 schoolhouse or the administrative office of any ~~joint~~ school district ~~or,~~  
12 ~~for years prior to 2017, learning community~~ shall make a levy for the  
13 school district ~~or, for years prior to 2017, learning community,~~ as may  
14 be necessary, and the county clerk of that headquarters county shall  
15 certify the levy, on or before the date prescribed in section 77-1601, to  
16 the county clerk of each county in which is situated any portion of the  
17 ~~joint~~ school district ~~or learning community~~. This section shall apply to  
18 all taxes levied on behalf of school districts, including, but not  
19 limited to, taxes authorized by sections 10-304, 10-711, 77-1601, 79-747,  
20 79-1084, 79-1085, 79-1086, 79-10,100, 79-10,110, 79-10,110.02, 79-10,118,  
21 79-10,120, and 79-10,126.

22           ~~(2) The county board of the county in which is located the~~  
23 ~~schoolhouse or the administrative office of the high school district of a~~  
24 ~~joint affiliated school system shall make a levy for the joint affiliated~~  
25 ~~school system, as may be necessary, and the county clerk of that~~  
26 ~~headquarters county shall certify the levy, on or before the date~~  
27 ~~prescribed in section 77-1601, to the county clerk of each county in~~  
28 ~~which is situated any portion of the joint affiliated school system. This~~  
29 ~~section shall apply to all taxes levied on behalf of affiliated school~~  
30 ~~systems, including, but not limited to, taxes authorized by sections~~  
31 ~~79-10,110 and 79-10,110.02.~~

1           Sec. 28. Section 79-10,119, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3           79-10,119 A ~~Class III, IV, or V~~ school district may purchase,  
4 acquire, own, manage, and hold title to real estate for future school  
5 sites which at the time of such purchasing or acquiring is outside such  
6 school district in a territory not more than three miles beyond the  
7 limits of such district but contiguous thereto. Such district shall not  
8 erect school buildings on the real estate prior to the inclusion of such  
9 real estate within the boundaries of such a school district. If the real  
10 estate so acquired adjoins the purchaser's district, the acquisition of  
11 the real estate constitutes an annexation of such real estate to the  
12 purchaser's district. The intervention of a street, road, or highway  
13 between the real estate to be acquired and the purchaser's district does  
14 not preclude such real estate from being considered as adjoining the  
15 purchaser's district.

16           Sec. 29. Section 79-1241.03, Revised Statutes Cumulative Supplement,  
17 2018, is amended to read:

18           79-1241.03 (1) Two percent of the appropriation funds ~~appropriated~~  
19 for core services and technology infrastructure funds shall be  
20 transferred to the Educational Service Unit Coordinating Council. The  
21 remainder of such funds shall be distributed pursuant to subsections (2)  
22 through (5) of this section.

23           (2)(a) The distance education and telecommunications allowance for  
24 each educational service unit shall equal eighty-five percent of the  
25 difference of the costs for telecommunications services, for access to  
26 data transmission networks that transmit data to and from the educational  
27 service unit, and for the transmission of data on such networks paid by  
28 the educational service unit as reported on the annual financial report  
29 for the most recently available complete data year minus the receipts  
30 from the federal Universal Service Fund pursuant to 47 U.S.C. 254, as  
31 such section existed on January 1, 2007, for the educational service unit

1 as reported on the annual financial report for the most recently  
2 available complete data year and minus any receipts from school districts  
3 or other educational entities for payment of such costs as reported on  
4 the annual financial report of the educational service unit.

5 (b) The base allocation of each educational service unit shall equal  
6 two and one-half percent of the funds appropriated for distribution  
7 pursuant to this section.

8 (c) The satellite office allocation for each educational service  
9 unit shall equal one percent of the funds appropriated for distribution  
10 pursuant to this section for each office of the educational service unit,  
11 except the educational service unit headquarters, up to the maximum  
12 number of satellite offices. The maximum number of satellite offices used  
13 for the calculation of the satellite office allocation for any  
14 educational service unit shall equal the difference of the ratio of the  
15 number of square miles within the boundaries of the educational service  
16 unit divided by four thousand minus one with the result rounded to the  
17 closest whole number.

18 (d) The statewide adjusted valuation shall equal the total adjusted  
19 valuation for all member districts of educational service units pursuant  
20 to section 79-1016 used for the calculation of state aid for school  
21 districts pursuant to the Tax Equity and Educational Opportunities  
22 Support Act for the school fiscal year for which the distribution is  
23 being calculated pursuant to this section.

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

1 percent of the total adjusted valuation of the member school districts  
2 pursuant to section 79-1016 used for the calculation of state aid for  
3 school districts pursuant to the act for the school fiscal year for which  
4 the distribution is being calculated pursuant to this section.

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

7 (g) The statewide student allocation shall equal the difference of  
8 the sum of the amount appropriated for distribution pursuant to this  
9 section plus the product of the statewide adjusted valuation multiplied  
10 by the local effort rate minus the distance education and  
11 telecommunications allowance, base allocation, and satellite office  
12 allocation for all educational service units and minus any adjustments  
13 required by subsection (4) of this section.

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

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

1 eighty-five percent of the fall membership for such school fiscal year if  
2 the member school district will be a member of a learning community  
3 pursuant to this section, multiplied by the sparsity adjustment for the  
4 educational service unit. The adjusted students for each learning  
5 community shall equal ten percent of the fall membership for such school  
6 fiscal year of the member school districts multiplied by the sparsity  
7 adjustment for the learning community.

8 (j) The per student allocation shall equal the statewide student  
9 allocation divided by the total adjusted students for all educational  
10 service units and learning communities.

11 (k) The student allocation for each educational service unit and  
12 learning community shall equal the per student allocation multiplied by  
13 the adjusted students for the educational service unit or learning  
14 community.

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

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

25 (3) If an educational service unit is the result of a merger or  
26 received new member school districts from another educational service  
27 unit, the educational service unit shall be considered a new educational  
28 service unit for purposes of this section. For each new educational  
29 service unit, the needs minus the distance education and  
30 telecommunications allowance for such new educational service unit shall,  
31 for each of the three fiscal years following the fiscal year in which the

1 merger takes place or the new member school districts are received, equal  
2 an amount not less than the needs minus the distance education and  
3 telecommunications allowance for the portions of the educational service  
4 units transferred to the new educational service unit for the fiscal year  
5 immediately preceding the merger or receipt of new member school  
6 districts, except that if the total amount available to be distributed  
7 pursuant to subsections (2) through (5) of this section for the year for  
8 which needs are being calculated is less than the total amount  
9 distributed pursuant to such subsections for the fiscal year immediately  
10 preceding the merger or receipt of new member school districts, the  
11 minimum needs minus the distance education and telecommunications  
12 allowance for each educational service unit pursuant to this subsection  
13 shall be reduced by a percentage equal to the ratio of such difference  
14 divided by the total amount distributed pursuant to subsections (2)  
15 through (5) of this section for the fiscal year immediately preceding the  
16 merger or receipt of new member school districts. The needs minus the  
17 distance education and telecommunications allowance for the portions of  
18 educational service units transferred to the new educational service unit  
19 for the fiscal year immediately preceding a merger or receipt of new  
20 member school districts shall equal the needs minus the distance  
21 education and telecommunications allowance calculated for such fiscal  
22 year pursuant to subsections (2) through (5) of this section for any  
23 educational service unit affected by the merger or the transfer of school  
24 districts multiplied by a ratio equal to the valuation that was  
25 transferred to the new educational service unit for which the minimum is  
26 being calculated divided by the total valuation of the educational  
27 service unit transferring the territory.

28 (4) If the minimum needs minus the distance education and  
29 telecommunications allowance pursuant to subsection (3) of this section  
30 for any educational service unit exceeds the amount that would otherwise  
31 be calculated for such educational service unit pursuant to subsection

1 (2) of this section, the statewide student allocation shall be reduced  
2 such that the total amount to be distributed pursuant to this section  
3 equals the appropriation for core services and technology infrastructure  
4 funds and no educational service unit has needs minus the distance  
5 education and telecommunications allowance less than the greater of any  
6 minimum amounts calculated for such educational service unit pursuant to  
7 subsection (3) of this section.

8 (5) The State Department of Education shall certify the distribution  
9 of core services and technology infrastructure funds pursuant to  
10 subsections (2) through (5) of this section to each educational service  
11 unit and learning community on or before July 1 of each year for the  
12 following school fiscal year. Except as otherwise provided in this  
13 subsection, any funds appropriated for distribution pursuant to this  
14 section shall be distributed in ten as nearly as possible equal payments  
15 on the last ~~first~~ business day of each month beginning in September of  
16 each school fiscal year and ending in June. Payments ~~Funds distributed~~ to  
17 educational service units pursuant to this section shall be used for core  
18 services and technology infrastructure with the approval of  
19 representatives of two-thirds of the member school districts of the  
20 educational service unit, representing a majority of the adjusted  
21 students in the member school districts used in calculations pursuant to  
22 this section for such funds. The valuation of individual school districts  
23 shall not be considered in the utilization of such core services and ~~or~~  
24 technology infrastructure funds by member school districts for funds  
25 received after July 1, 2010. Funds distributed to learning communities  
26 shall be used for evaluation and research pursuant to section 79-2104.02  
27 with the approval of the learning community coordinating council.

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

1 (7) It is the intent of the Legislature that:

2 (a) Funding for core services and technology infrastructure for each  
3 educational service unit consist of both amounts received pursuant to  
4 this section and an amount greater than or equal to the product of the  
5 adjusted valuation for the educational service unit multiplied by the  
6 local effort rate; and

7 (b) Each multidistrict educational service unit use an amount equal  
8 to at least five percent of such funding for core services and technology  
9 infrastructure for cooperative projects between member school districts  
10 and that each such educational service unit use an amount equal to at  
11 least five percent of such funding for core services and technology  
12 infrastructure for statewide projects managed by the Educational Service  
13 Unit Coordinating Council.

14 Sec. 30. Section 79-1605, Reissue Revised Statutes of Nebraska, is  
15 amended to read:

16 79-1605 The superintendent of the high school district ~~and its~~  
17 ~~affiliated territory~~ in which any private, denominational, or parochial  
18 school is located, which school is not otherwise inspected by an area or  
19 diocesan representative holding a Nebraska certificate to administer,  
20 shall inspect such schools and report to the proper officers any evidence  
21 of failure to observe any of the provisions of sections 79-1601 to  
22 79-1607. The Commissioner of Education, when in his or her judgment it is  
23 deemed advisable, may appoint a public school official other than such  
24 superintendent, including a member of the State Department of Education,  
25 for such inspections. Such appointee shall hold a Nebraska certificate to  
26 administer. The State Board of Education shall require the  
27 superintendents and appointed public school officials to make such  
28 inspections at least twice a year, and the school officers of such  
29 schools and the teachers giving instruction in such schools shall permit  
30 such inspection and assist and cooperate in the making of the same.

31 Sec. 31. Section 79-2104.02, Revised Statutes Cumulative Supplement,

1 2018, is amended to read:

2 79-2104.02 Each learning community coordinating council shall use  
3 any funds received pursuant to section 79-1241.03 for evaluation of  
4 programs related to the community achievement plan developed with the  
5 assistance of the student achievement coordinator or other department  
6 staff designated by the Commissioner of Education and evaluation and  
7 research regarding the progress of the learning community pursuant to  
8 plans developed by the learning community coordinating council with  
9 assistance from the Educational Service Unit Coordinating Council and  
10 adjusted on an ongoing basis. The evaluation regarding the progress of  
11 the learning community shall be conducted by one or more other entities  
12 or individuals who are not employees of the learning community and shall  
13 measure progress toward the goals and objectives of the learning  
14 community, which goals and objectives shall include reduction of  
15 excessive absenteeism of students in the member school districts of the  
16 learning community and closing academic achievement gaps based on  
17 socioeconomic status, and the effectiveness of the approaches used by the  
18 learning community or pilot project to reach such goals and objectives.  
19 Any research conducted pursuant to this section shall also be related to  
20 such goals and objectives or programs related to the community  
21 achievement plan. Each learning community shall report evaluation and  
22 research results electronically to the Education Committee of the  
23 Legislature on or before ~~February~~ January 1 of each year.

24 Sec. 32. Section 79-2118, Reissue Revised Statutes of Nebraska, is  
25 amended to read:

26 79-2118 (1) Each learning community, together with its member school  
27 districts, shall develop a diversity plan to provide educational  
28 opportunities pursuant to sections 79-769 and 79-2110 in each subcouncil  
29 district designed to attract students from diverse backgrounds, which  
30 plan may be revised from time to time. The initial diversity plan shall  
31 be completed by December 31 of the year the initial learning community

1 coordinating council for the learning community takes office. The goal of  
2 the diversity plan shall be to ~~annually~~ increase the socioeconomic  
3 diversity of enrollment at each grade level in each school building  
4 within the learning community ~~until such enrollment reflects the average~~  
5 ~~socioeconomic diversity of the entire enrollment of the learning~~  
6 ~~community.~~

7 (2) Each diversity plan for a learning community shall include  
8 specific provisions relating to each subcouncil district within such  
9 learning community. The specific provisions relating to each subcouncil  
10 district shall be approved by both the achievement subcouncil for such  
11 district and by the learning community coordinating council.

12 (3) The learning community coordinating council shall report  
13 electronically to the Education Committee of the Legislature on or before  
14 ~~February~~ January 1 of each odd-numbered year on the diversity and changes  
15 in diversity at each grade level in each school building within the  
16 learning community and on the academic achievement for different  
17 demographic groups in each school building within the learning community.

18 Sec. 33. Section 79-2603, Revised Statutes Cumulative Supplement,  
19 2018, is amended to read:

20 79-2603 (1) For school year 2019-20 and each school year thereafter,  
21 each school district shall administer an approved reading assessment  
22 three times during the school year to all students in kindergarten  
23 through grade three, except for any student receiving specialized  
24 instruction for limited English proficiency who has been receiving such  
25 instruction for less than two years, any student receiving special  
26 education services for whom such assessment would conflict with the  
27 individualized education plan, and any student receiving services under a  
28 plan pursuant to the requirements of section 504 of the federal  
29 Rehabilitation Act of 1973, 29 U.S.C. 794, or Title II of the federal  
30 Americans with Disabilities Act of 1990, 42 U.S.C. 12131 to 12165, as  
31 such acts and sections existed on January 1, 2018, for whom such

1 assessment would conflict with such section 504 or Title II plan. The  
2 first administration of such assessment for kindergarten students each  
3 such school year shall occur within the first forty-five calendar thirty  
4 days that school is in session of each the school year and for all other  
5 grades within the first thirty calendar days that school is in session of  
6 each school year.

7 (2) For purposes of the Nebraska Reading Improvement Act, an  
8 approved reading assessment means an assessment of student reading skills  
9 approved by the State Department of Education which:

10 (a) Measures progress toward proficiency in the reading skills  
11 assessed pursuant to subsection (5) of section 79-760.03 on the statewide  
12 assessment of reading for grade three;

13 (b) Is valid and reliable;

14 (c) Is aligned with academic content standards for reading adopted  
15 by either the State Board of Education pursuant to section 79-760.01 or  
16 the school district administering such assessment pursuant to section  
17 79-760.02;

18 (d) Allows teachers access to results in a reasonable time period as  
19 established by the department, not to exceed fifteen contract working  
20 days; and

21 (e) Is commercially available and complies with requirements  
22 established by the department.

23 (3) On or before March 1, 2019, and on or before each March 1  
24 thereafter, the department shall make public the list of approved reading  
25 assessments for the subsequent school year and the threshold level of  
26 performance for each such assessment. A student performing below the  
27 threshold level shall be identified as having a reading deficiency for  
28 purposes of the Nebraska Reading Improvement Act.

29 (4) Diagnostic assessments used within a supplemental reading  
30 intervention program do not require department approval.

31 Sec. 34. Section 79-2605, Revised Statutes Cumulative Supplement,

1 2018, is amended to read:

2 79-2605 (1) Each school district shall provide a supplemental  
3 reading intervention program for the purpose of ensuring that students  
4 can read at or above grade level at the end of third grade. School  
5 districts may work collaboratively with a reading specialist at the State  
6 Department of Education, with educational service units, with learning  
7 communities, or through interlocal agreements to develop and provide such  
8 supplemental reading intervention programs. Each supplemental reading  
9 intervention program shall be:

10 (a) Provided ~~Be provided~~ to any student identified as having a  
11 reading deficiency;

12 (b) Implemented ~~Be implemented~~ during regular school hours in  
13 addition to regularly scheduled reading instruction unless otherwise  
14 agreed to by a parent or guardian; and

15 (c) Made ~~Make~~ available as a summer reading program between each  
16 school year ~~summer~~ for any student who has been enrolled in grade one,  
17 grade two, or grade three or higher and is identified as continuing to  
18 have a reading deficiency at the conclusion of the school year preceding  
19 such summer reading program. Such summer reading program may be (i) held  
20 in conjunction with existing summer programs in the school district, (ii)  
21 held ~~or~~ in a community reading program not affiliated with the school  
22 district, or (iii) ~~may be~~ offered online.

23 (2) The supplemental reading intervention program shall ~~may~~ also  
24 include:

25 (a) Reading intervention ~~techniques that are based on scientific~~  
26 ~~research and best practices~~ that are evidence-based;

27 (b) Diagnostic assessments to identify specific skill-based  
28 strengths and weaknesses a student may have; ~~frequently monitor~~

29 (c) Frequent monitoring of student progress throughout the school  
30 year with and adjust instruction adjusted accordingly;

31 (d) ~~(e)~~ Intensive intervention using strategies selected from the

1 following list to match the weaknesses identified in the diagnostic  
2 assessment:

3 (i) Development in phonemic awareness, phonics, fluency, vocabulary,  
4 and reading comprehension;

5 (ii) Explicit and systematic instruction with detailed explanations,  
6 extensive opportunities for guided practice, and opportunities for error  
7 corrections and feedback; or

8 (iii) Daily targeted individual or small-group reading intervention  
9 based on student needs as determined by diagnostic assessment data  
10 subject to planned extracurricular school activities;

11 (e) ~~(d)~~ Strategies and resources to assist with reading skills at  
12 home, including parent-training workshops and suggestions for parent-  
13 guided home reading; or

14 (f) ~~(e)~~ Access to before-school or after-school supplemental reading  
15 intervention with a teacher or tutor who has specialized training in  
16 reading intervention.

17 Sec. 35. Section 79-2606, Revised Statutes Cumulative Supplement,  
18 2018, is amended to read:

19 79-2606 (1) The school of any student who is identified as having a  
20 reading deficiency shall notify such student's parents or guardians  
21 either in writing or by electronic communication no later than fifteen  
22 working days after the identification of the reading deficiency that the  
23 student has been identified as having a reading deficiency and that an  
24 individualized individual reading improvement plan will be established  
25 and shared with the parents or guardians.

26 (2) Any student who is identified as having a reading deficiency  
27 shall receive an individualized individual reading improvement plan which  
28 shall include a supplemental reading intervention program no later than  
29 thirty days after the identification of such reading deficiency. The  
30 reading improvement plan may be created by the teacher, the principal,  
31 other pertinent school personnel, and the parents or guardians of the

1 student and shall describe the reading intervention services the student  
2 will receive through the supplemental reading intervention program  
3 pursuant to section 79-2605 to remedy such reading deficiency. Each such  
4 student shall receive reading intervention services through the  
5 supplemental reading intervention program pursuant to section 79-2605  
6 until the student is no longer identified as having a reading deficiency.

7 Sec. 36. Section 85-505, Reissue Revised Statutes of Nebraska, is  
8 amended to read:

9 85-505 Any member of the Nebraska National Guard who enrolls in any  
10 state-supported university, college, or community college or any  
11 independent, not-for-profit, ~~regionally~~ accredited college or university  
12 in this state shall be entitled to a credit of seventy-five percent of  
13 the resident tuition charges of such school, except that any member who  
14 attends an independent, not-for-profit, ~~regionally~~ accredited college or  
15 university in this state shall receive a credit in an amount no higher  
16 than that person would receive if he or she attended the University of  
17 Nebraska-Lincoln. Such entitlement shall be for a period of ten years  
18 from the date of the member's initial membership so long as the member  
19 maintains satisfactory performance with the guard and pursues his or her  
20 course of study in such institution in a manner which satisfies the  
21 normal requirements of the institution. If a member is unable to complete  
22 his or her course of study within the ten-year period due to deployment  
23 on federal or state active-duty status for not less than one hundred  
24 twenty days, the Adjutant General may extend the entitlement period for  
25 such member for a period equal to the period of such person's active-duty  
26 status, not to exceed a maximum of five years. During the extended  
27 entitlement period, the member shall be subject to all remaining  
28 conditions and limitations of the tuition assistance program prescribed  
29 in sections 85-505 to 85-508. The number of individuals granted tuition  
30 credit shall not exceed the number specified in section 85-505.01 during  
31 any fiscal year, and the amount of tuition credits granted shall not

1 exceed nine hundred thousand dollars during any fiscal year. When  
2 determining to whom such tuition credit shall be awarded, priority shall  
3 be given to those individuals who have previously received tuition  
4 credits while a National Guard member, and the Nebraska National Guard  
5 shall apply those program qualifications and limitations consistent with  
6 efficient and effective program management as determined by the Adjutant  
7 General.

8 Sec. 37. Section 85-507, Reissue Revised Statutes of Nebraska, is  
9 amended to read:

10 85-507 The spouse and children of any member of the Nebraska  
11 National Guard who dies while serving in the active service of the state  
12 shall be entitled to a credit of one hundred percent of the tuition  
13 charges in any state-supported university, college, or community college  
14 or any independent, not-for-profit, ~~regionally~~ accredited college or  
15 university in this state, except that any spouse or child who attends an  
16 independent, not-for-profit, ~~regionally~~ accredited college or university  
17 in this state shall receive a credit in an amount no higher than that  
18 spouse or child would receive if he or she attended the University of  
19 Nebraska-Lincoln. Such tuition credit shall be for any undergraduate  
20 course of education not exceeding four years, except that no credit shall  
21 be granted to the spouse after the tenth anniversary of the member's  
22 death and no credit shall be granted to a child after such child's  
23 twenty-fifth birthday. All persons eligible for tuition credit under this  
24 section shall obtain a certificate of eligibility from the Adjutant  
25 General of the Nebraska National Guard and present such certificate to  
26 the educational institution.

27 Sec. 38. Section 85-1609, Reissue Revised Statutes of Nebraska, is  
28 amended to read:

29 85-1609 Accreditation by ~~national or regional~~ accrediting agencies  
30 recognized by the United States Department of Education such as the  
31 Association of Independent Colleges and Schools, the Accrediting Council

1 for Continuing Education and Training, the National Accrediting  
2 Association of Cosmetology Arts and Sciences, or the National Association  
3 of Trade and Technical Schools may be accepted by the department as  
4 evidence of compliance with the minimum standards established pursuant to  
5 sections 85-1606 and 85-1608. Accreditation by a recognized, specialized  
6 accrediting agency such as the Council on Medical Education of the  
7 American Medical Association, the Commission on Accreditation of the  
8 American Dental Association, or the American Veterinary Medical  
9 Association may be accepted as evidence of such compliance only as to the  
10 portion or program of a school accredited by such agency if the school as  
11 a whole is not accredited.

12 Sec. 39. Section 85-2002, Revised Statutes Supplement, 2019, is  
13 amended to read:

14 85-2002 For purposes of the Community College Gap Assistance Program  
15 Act:

16 (1) Accredited college means a not-for-profit, two-year  
17 postsecondary institution with a physical presence in this state that has  
18 been accredited by an accrediting agency recognized by the United States  
19 Department of Education to provide institutional accreditation for degree  
20 granting institutions;

21 (2) ~~(1)~~ Committee means the Nebraska Community College Student  
22 Performance and Occupational Education Grant Committee;

23 (3) ~~(2)~~ Community college gap assistance program means the program  
24 created pursuant to section 85-2003;

25 (4) ~~(3)~~ Eligible program means a program offered by a community  
26 college or other eligible institution that (a) either (i) is not offered  
27 for credit and has a duration of not less than sixteen contact hours in  
28 length or (ii) is offered for credit but is of insufficient clock,  
29 semester, or quarter hours to be eligible for Federal Pell Grants, (b) is  
30 aligned with training programs with stackable credentials that lead to a  
31 program awarding college credit, an associate's degree, a diploma, or a

1 certificate in an in-demand occupation, and (c) does any of the  
2 following:

- 3 (i) Offers a state, national, or locally recognized certificate;
- 4 (ii) Offers preparation for a professional examination or licensure;
- 5 (iii) Provides endorsement for an existing credential or license;
- 6 (iv) Represents recognized skill standards defined by an industrial  
7 sector; or
- 8 (v) Offers a similar credential or training; ~~and~~

9 (5) ~~(4)~~ In-demand occupation means:

- 10 (a) Financial services;
- 11 (b) Transportation, warehousing, and distribution logistics;
- 12 (c) Precision metals manufacturing;
- 13 (d) Biosciences;
- 14 (e) Renewable energy;
- 15 (f) Agriculture and food processing;
- 16 (g) Business management and administrative services;
- 17 (h) Software and computer services;
- 18 (i) Research, development, and engineering services;
- 19 (j) Health services;
- 20 (k) Hospitality and tourism; and
- 21 (l) Any other industry designated as an in-demand occupation by the  
22 committee; ~~and~~ -

23 (6) Other eligible institution means an accredited college with  
24 which the Coordinating Commission for Postsecondary Education has a  
25 contract pursuant to subsection (4) of section 85-2010.

26 Sec. 40. Section 85-2003, Revised Statutes Cumulative Supplement,  
27 2018, is amended to read:

28 85-2003 (1) The community college gap assistance program is created.  
29 The program shall be under the direction of the committee and shall be  
30 administered by the Coordinating Commission for Postsecondary Education.  
31 The purpose of the community college gap assistance program is to provide

1 ~~funding to community colleges to award~~ community college gap assistance  
2 to students in eligible programs.

3 (2) To be eligible for community college gap assistance under the  
4 community college gap assistance program, an applicant:

5 (a) Shall have a family income which is at or below two hundred  
6 fifty percent of Office of Management and Budget income poverty  
7 guidelines; and

8 (b) Shall be a resident of Nebraska as provided in section 85-502.

9 (3) Eligibility for such tuition assistance shall not be construed  
10 to guarantee enrollment in any eligible program.

11 Sec. 41. Section 85-2004, Revised Statutes Cumulative Supplement,  
12 2018, is amended to read:

13 85-2004 Application for community college gap assistance under the  
14 community college gap assistance program shall be made to the community  
15 college or other eligible institution in which the applicant is enrolled  
16 or intends to enroll. An application shall be valid for six months from  
17 the date of signature on the application. The applicant shall provide  
18 documentation of all sources of income. An applicant shall not receive  
19 community college gap assistance for more than one eligible program.

20 Sec. 42. Section 85-2005, Revised Statutes Cumulative Supplement,  
21 2018, is amended to read:

22 85-2005 (1) An applicant for community college gap assistance under  
23 the community college gap assistance program shall demonstrate capacity  
24 to achieve the following outcomes:

25 (a) The ability to be accepted to and complete an eligible program;

26 (b) The ability to be accepted into and complete a postsecondary  
27 certificate, diploma, or degree program for credit;

28 (c) The ability to obtain full-time employment; and

29 (d) The ability to maintain full-time employment over time.

30 (2) The committee may grant community college gap assistance under  
31 the community college gap assistance program to an applicant in any

1 amount up to the full amount of eligible costs.

2 (3) The committee shall deny an application when the community  
3 college or other eligible institution receiving the application  
4 determines that funding for an applicant's participation in an eligible  
5 program is available from any other public or private funding source.

6 Sec. 43. Section 85-2007, Revised Statutes Cumulative Supplement,  
7 2018, is amended to read:

8 85-2007 An applicant for community college gap assistance under the  
9 community college gap assistance program shall complete an initial  
10 assessment administered by the community college or other eligible  
11 institution receiving the application to determine the applicant's  
12 readiness to complete an eligible program. The initial assessment shall  
13 include any assessments required by the eligible program.

14 Sec. 44. Section 85-2008, Revised Statutes Cumulative Supplement,  
15 2018, is amended to read:

16 85-2008 (1) A recipient of community college gap assistance under  
17 the community college gap assistance program shall:

18 (a) Maintain regular contact with faculty of the eligible program to  
19 document the applicant's progress in the program;

20 (b) Sign any necessary releases to provide relevant information to  
21 ~~community college faculty or case managers~~ or faculty of the community  
22 college or other eligible institution, if applicable;

23 (c) Discuss with faculty of the eligible program any issues that may  
24 affect the recipient's ability to complete the eligible program and  
25 obtain and maintain employment;

26 (d) Attend all required courses regularly; and

27 (e) Meet with faculty of the eligible program to develop a job-  
28 search plan.

29 (2) A community college or other eligible institution may terminate  
30 community college gap assistance under the community college gap  
31 assistance program for a recipient who fails to meet the requirements of

1 this section.

2 Sec. 45. Section 85-2009, Revised Statutes Cumulative Supplement,  
3 2018, is amended to read:

4 85-2009 (1) The Community College Gap Assistance Program Fund is  
5 created. The fund shall be under the direction of the committee and shall  
6 be administered by the Coordinating Commission for Postsecondary  
7 Education. The fund shall consist of money received pursuant to section  
8 9-812, any other money received by the state in the form of grants or  
9 gifts from nonfederal sources, such other amounts as may be transferred  
10 or otherwise accrue to the fund, and any investment income earned on the  
11 fund. The fund shall be used to carry out the community college gap  
12 assistance program ~~provide aid or grants to the community colleges~~  
13 pursuant to the Community College Gap Assistance Program Act. Any money  
14 in the fund available for investment shall be invested by the state  
15 investment officer pursuant to the Nebraska Capital Expansion Act and the  
16 Nebraska State Funds Investment Act.

17 ~~(2) The total of community college gap assistance awarded from the~~  
18 ~~Community College Gap Assistance Program Fund during any fiscal year~~  
19 ~~shall not exceed one million five hundred thousand dollars.~~

20 (2) In addition to community college gap assistance awarded to  
21 students, money ~~(3) Money~~ in the fund may also be used by the committee:

22 (a) To establish application and funding procedures; ~~and~~

23 (b) To assist community colleges in defraying the costs of direct  
24 staff support services, including, but not limited to, marketing,  
25 outreach, applications, interviews, and assessments as follows: (i) Up to  
26 twenty percent of any amount allocated for such purposes to the two  
27 smallest community colleges; (ii) up to ten percent of any such amount to  
28 the two largest community colleges; and (iii) up to fifteen percent of  
29 any such amount to the remaining two community colleges. For purposes of  
30 this subsection, community college size shall be determined based on the  
31 most recent three-year rolling average full-time equivalent enrollment;

1 and -

2 (c) To assist other eligible institutions as specified in contracts  
3 entered into pursuant to subsection (4) of section 85-2010 in defraying  
4 the costs of direct staff support services, including, but not limited  
5 to, marketing, outreach, applications, interviews, and assessments  
6 related to the community college gap assistance program.

7 Sec. 46. Section 85-2010, Revised Statutes Cumulative Supplement,  
8 2018, is amended to read:

9 85-2010 (1) The committee shall develop a common applicant tracking  
10 system for the community college gap assistance program that shall be  
11 implemented consistently by each participating community college and  
12 other eligible institution.

13 (2) The committee shall coordinate statewide oversight, evaluation,  
14 and reporting efforts for the community college gap assistance program.

15 (3) The committee shall meet at least quarterly to evaluate and  
16 monitor the performance of the community college gap assistance program  
17 to determine if performance measures are being met and shall take  
18 necessary steps to correct any deficiencies. Performance measures  
19 include, but are not limited to, eligible program completion rates, job  
20 attainment rates, and continuing education rates.

21 (4) With committee approval, the Coordinating Commission for  
22 Postsecondary Education may contract with an accredited college to be an  
23 other eligible institution and administer the community college gap  
24 assistance program for applicants enrolled in or intending to enroll in  
25 an eligible program offered by such college.

26 Sec. 47. Section 85-2104, Revised Statutes Cumulative Supplement,  
27 2018, is amended to read:

28 85-2104 Applications for the Access College Early Scholarship  
29 Program shall be prioritized for students qualifying pursuant to  
30 subdivision (1) or (2) of this section, and applications for students  
31 qualifying only pursuant to subdivision (3) of this section shall only be

1 considered if funds are available after fulfilling the applications for  
2 students qualifying pursuant to subdivision (1) or (2) of this section.  
3 Priority dates shall be determined by the commission on a term basis. The  
4 Commissioner of Education may verify eligibility for a student described  
5 in subdivision (1)(c) of this section when requested by the commission. A  
6 student who is applying to take one or more courses for credit from a  
7 qualified postsecondary educational institution is eligible for the  
8 Access College Early Scholarship Program if:

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

11 (a) Supplemental Security Income;

12 (b) Supplemental Nutrition Assistance Program benefits;

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

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

16 (e) Assistance under the Special Supplemental Nutrition Program for  
17 Women, Infants, and Children;

18 (2) The student or the student's parent or legal guardian has  
19 experienced an extreme hardship; or

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

25 Sec. 48. Original sections 38-316, 38-10,109, 38-1813, 38-2613,  
26 38-2616, 38-3106, 71-8404, 76-2203.01, 77-2704.12, 77-27,119, 79-422,  
27 79-433, 79-449, 79-719, 79-8,133, 79-10,119, 79-1605, 79-2118, 85-505,  
28 85-507, and 85-1609, Reissue Revised Statutes of Nebraska, sections  
29 1-116, 38-3901, 58-809, 79-611, 79-8,137.01, 79-1007.11, 79-1035,  
30 79-1065.02, 79-1075, 79-1241.03, 79-2104.02, 79-2603, 79-2605, 79-2606,  
31 85-2003, 85-2004, 85-2005, 85-2007, 85-2008, 85-2009, 85-2010, and

1 85-2104, Revised Statutes Cumulative Supplement, 2018, and sections  
2 77-1601.02, 79-1003, 79-1074, and 85-2002, Revised Statutes Supplement,  
3 2019, are repealed.