

LEGISLATURE OF NEBRASKA
ONE HUNDRED SIXTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 675

Introduced by Groene, 42.

Read first time January 23, 2019

Committee: Education

1 A BILL FOR AN ACT relating to education; to amend sections 79-515,
2 79-807, 79-1110, 79-1113, 79-1115, 79-1115.01, 79-1117, 79-1119,
3 79-1119.01, 79-1122, 79-1124, 79-1125.01, 79-1126, 79-1127, 79-1128,
4 79-1129, 79-1130, 79-1132, 79-1135, 79-1136, 79-1138, 79-1139,
5 79-1142, 79-1145, 79-1147, 79-1148, 79-1149, 79-1154, 79-1155,
6 79-1156, 79-1157, 79-1158, 79-1159, 79-1159.01, 79-1160, 79-1161,
7 79-1162, 79-1163, 79-1164, 79-1167, 79-1302, 79-1304, 79-2202,
8 83-121, and 83-1225, Reissue Revised Statutes of Nebraska, and
9 sections 79-318, 79-1003, 79-1005.01, 79-1007.07, 79-1007.09,
10 79-1008.01, 79-1017.01, 79-1022, and 79-1144, Revised Statutes
11 Cumulative Supplement, 2018; to change the authorized length for
12 specified contracts; to change reporting requirements as prescribed;
13 to define and redefine terms; to change provisions of the Tax Equity
14 and Educational Opportunities Support Act; to clarify state aid
15 calculations; to change provisions relating to the certification and
16 distribution of state aid; to change provisions of the Special
17 Education Act as prescribed; to eliminate obsolete provisions
18 relating to special education; to adopt updated federal laws and
19 regulations; to change grant provisions as prescribed; to change
20 duties as prescribed; to change distance education and technology
21 terminology; to eliminate a reporting requirement, expired state aid
22 provisions, residential care placement requirements, special
23 education waiver provisions, an outdated duty regarding the

1 Education Innovation Fund, and funding provisions for the Interstate
2 Compact on Educational Opportunity for Military Children; to
3 harmonize provisions; to repeal the original sections; and to
4 outright repeal sections 79-527, 79-1007.04, 79-1007.17, 79-1007.23,
5 79-1007.25, 79-1028.03, 79-1152, 79-1153, 79-1188, and 79-2206,
6 Reissue Revised Statutes of Nebraska, and section 79-1008.02,
7 Revised Statutes Cumulative Supplement, 2018.
8 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 79-318, Revised Statutes Cumulative Supplement,
2 2018, is amended to read:

3 79-318 The State Board of Education shall:

4 (1) Appoint and fix the compensation of the Commissioner of
5 Education;

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

10 (3) Upon recommendation of the commissioner, appoint and fix the
11 compensation of all new professional positions in the department,
12 including any deputy commissioners;

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

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

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

27 (6) Adopt and promulgate rules and regulations for the guidance,
28 supervision, accreditation, and coordination of educational service
29 units. Such rules and regulations for accreditation shall include, but
30 not be limited to, (a) a requirement that programs and services offered
31 to school districts by each educational service unit shall be evaluated

1 on a regular basis, but not less than every seven years, to assure that
2 educational service units remain responsive to school district needs and
3 (b) guidelines for the use and management of funds generated from the
4 property tax levy and from other sources of revenue as may be available
5 to the educational service units, to assure that public funds are used to
6 accomplish the purposes and goals assigned to the educational service
7 units by section 79-1204. The State Board of Education shall establish
8 procedures to encourage the coordination of activities among educational
9 service units and to encourage effective and efficient educational
10 service delivery on a statewide basis;

11 (7) Prepare and distribute reports designed to acquaint school
12 district officers, teachers, and patrons of the schools with the
13 conditions and needs of the schools;

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

17 (9) Make studies, investigations, and reports and assemble
18 information as necessary for the formulation of policies, for making
19 plans, for evaluating the state school program, and for making essential
20 and adequate reports;

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

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

27 (12) With the advice of the Department of Motor Vehicles, adopt and
28 promulgate rules and regulations containing reasonable standards, not
29 inconsistent with existing statutes, governing: (a) The general design,
30 equipment, color, operation, and maintenance of any vehicle with a
31 manufacturer's rated seating capacity of eleven or more passengers used

1 for the transportation of public, private, denominational, or parochial
2 school students; and (b) the equipment, operation, and maintenance of any
3 vehicle with a capacity of ten or less passengers used for the
4 transportation of public, private, denominational, or parochial school
5 students, when such vehicles are owned, operated, or owned and operated
6 by any public, private, denominational, or parochial school or privately
7 owned or operated under contract with any such school in this state,
8 except for vehicles owned by individuals operating a school which elects
9 pursuant to section 79-1601 not to meet accreditation or approval
10 requirements. Similar rules and regulations shall be adopted and
11 promulgated for operators of such vehicles as provided in section 79-607;

12 (13) Accept, on behalf of the Nebraska Center for the Education of
13 Children who are Blind or Visually Impaired, devise of real property or
14 donations or bequests of other property, or both, if in its judgment any
15 such devise, donation, or bequest is for the best interest of the center
16 or the students receiving services from the center, or both, and irrigate
17 or otherwise improve any such real estate when in the board's judgment it
18 would be advisable to do so; and

19 ~~(14) Accept, in order to administer the Interstate Compact on~~
20 ~~Educational Opportunity for Military Children, any devise, donation, or~~
21 ~~bequest received by the State Department of Education pursuant to section~~
22 ~~79-2206; and~~

23 (14) ~~(15)~~ Upon acceptance of any devise, donation, or bequest as
24 provided in this section, administer and carry out such devise, donation,
25 or bequest in accordance with the terms and conditions thereof. If not
26 prohibited by the terms and conditions of any such devise, donation, or
27 bequest, the board may sell, convey, exchange, or lease property so
28 devised, donated, or bequeathed upon such terms and conditions as it
29 deems best and remit all money derived from any such sale or lease to the
30 State Treasurer for credit to the State Department of Education Trust
31 Fund.

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

4 Sec. 2. Section 79-515, Reissue Revised Statutes of Nebraska, is
5 amended to read:

6 79-515 The school board or board of education of any school district
7 may enter into contracts under such terms and conditions as the board
8 deems appropriate, for periods not to exceed seven ~~four~~ years, for the
9 provision of utility services, refuse disposal, transportation services,
10 maintenance services, financial services, insurance, security services,
11 and instructional materials, supplies, and equipment and, for periods not
12 to exceed four years, for collective-bargaining agreements with employee
13 groups. This section does not permit multiyear contracts with individual
14 school district employees.

15 Sec. 3. Section 79-807, Reissue Revised Statutes of Nebraska, is
16 amended to read:

17 79-807 For purposes of sections 79-806 to 79-815, unless the context
18 otherwise requires:

19 (1) Basic skills competency means either (a) proficiency in (i) the
20 written use of the English language, (ii) reading, comprehending, and
21 interpreting professional writing and other written materials, and (iii)
22 working with fundamental mathematical computations as demonstrated by
23 successful completion of an examination designated by the board ~~taken by~~
24 ~~teacher education students at a standard institution of higher education~~
25 or (b) successful employment experiences;

26 (2) Board means the State Board of Education;

27 (3) Certificate means an authorization issued by the commissioner to
28 an individual who meets the qualifications to engage in teaching,
29 providing special services, or administering in prekindergarten through
30 grade twelve in the elementary and secondary schools in this state;

31 (4) Commissioner means the Commissioner of Education;

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

2 (6) Human relations training means course work or employment
3 experiences that lead to (a) an awareness and understanding of the
4 values, lifestyles, contributions, and history of a pluralistic society,
5 (b) the ability to recognize and deal with dehumanizing biases,
6 including, but not limited to, sexism, racism, prejudice, and
7 discrimination, and an awareness of the impact such biases have on
8 interpersonal relations, (c) the ability to translate knowledge of human
9 relations into attitudes, skills, and techniques which result in
10 favorable experiences for students, (d) the ability to recognize the ways
11 in which dehumanizing biases may be reflected in instructional materials,
12 (e) respect for human dignity and individual rights, and (f) the ability
13 to relate effectively to other individuals and to groups in a pluralistic
14 society other than the applicant's own;

15 (7) Special education training means course work or employment
16 experiences that provide an individual with the knowledge of (a) the
17 exceptional needs of the disabilities defined under the Special Education
18 Act, (b) the major characteristics of each disability in order to
19 recognize its existence in children, (c) the various alternatives for
20 providing the least restrictive environment for children with
21 disabilities, (d) methods of teaching children with disabilities in the
22 regular classroom, and (e) prereferral alternatives, referral systems,
23 multidisciplinary team responsibilities, the individualized education
24 plan process, and the placement process;

25 (8) Special services means supportive services provided to students
26 that do not primarily involve teaching, including, but not limited to,
27 (a) audiology, psychology, and physical or occupational therapy, (b) the
28 coaching of extracurricular activities, and (c) subject areas for which
29 endorsement programs are not offered by a standard institution of higher
30 education; and

31 (9) Standard institution of higher education means any college or

1 university, the teacher education programs of which are fully approved by
2 the board or approved in another state pursuant to standards which are
3 comparable and equivalent to those set by the board.

4 Sec. 4. Section 79-1003, Revised Statutes Cumulative Supplement,
5 2018, is amended to read:

6 79-1003 For purposes of the Tax Equity and Educational Opportunities
7 Support Act:

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

1 allowance, community achievement plan allowance, and focus school and
2 program allowance;

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

13 (3) Allocated income tax funds means the amount of assistance paid
14 to a local system pursuant to section 79-1005.01 ~~as adjusted, for school~~
15 ~~fiscal years prior to school fiscal year 2017-18, by the minimum levy~~
16 ~~adjustment pursuant to section 79-1008.02;~~

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

22 (5) Base fiscal year means the first school fiscal year following
23 the school fiscal year in which the reorganization or unification
24 occurred;

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

26 (7) Categorical funds means funds limited to a specific purpose by
27 federal or state law, including, but not limited to, Title I funds, Title
28 VI funds, federal vocational education funds, federal school lunch funds,
29 Indian education funds, Head Start funds, and funds from the Education
30 Innovation Fund;

31 (8) Consolidate means to voluntarily reduce the number of school

1 districts providing education to a grade group and does not include
2 dissolution pursuant to section 79-498;

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

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

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

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

20 (13) Ensuing school fiscal year means the school fiscal year
21 following the current school fiscal year;

22 (14) Equalization aid means the amount of assistance calculated to
23 be paid to a local system pursuant to section ~~sections 79-1007.11 to~~
24 ~~79-1007.23, 79-1007.25, 79-1008.01 to 79-1022, and 79-1022.02;~~

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

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

31 (17) Formula students means:

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

13 (b) For the final calculation of state aid pursuant to section
14 79-1065, the sum of average daily membership plus sixty percent of the
15 qualified early childhood education average daily membership plus
16 tuitioned students minus the product of the number of students enrolled
17 in kindergarten that is not full-day kindergarten from the average daily
18 membership multiplied by 0.5 from the school fiscal year immediately
19 preceding the school fiscal year in which aid was paid;

20 (18) Free lunch and free milk calculated students means, using the
21 most recent data available on November 1 of the school fiscal year
22 immediately preceding the school fiscal year in which aid is to be paid,
23 (a) for schools that did not provide free meals to all students pursuant
24 to the community eligibility provision, students who individually
25 qualified for free lunches or free milk pursuant to the federal Richard
26 B. Russell National School Lunch Act, 42 U.S.C. 1751 et seq., and the
27 federal Child Nutrition Act of 1966, 42 U.S.C. 1771 et seq., as such acts
28 and sections existed on January 1, 2015, and rules and regulations
29 adopted thereunder, plus (b) for schools that provided free meals to all
30 students pursuant to the community eligibility provision, (i) for school
31 fiscal year 2016-17, the product of the students who attended such school

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

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

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

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

28 (22) General fund expenditures means all expenditures from the
29 general fund;

30 (23) General fund operating expenditures means for state aid
31 calculated for school fiscal years 2012-13 and each school fiscal year

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

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

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

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

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

31 (26) Limited English proficiency students means the number of

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

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

9 (28) Low-income child means (a) for school fiscal years prior to
10 2016-17, a child under nineteen years of age living in a household having
11 an annual adjusted gross income for the second calendar year preceding
12 the beginning of the school fiscal year for which aid is being calculated
13 equal to or less than the maximum household income that would allow a
14 student from a family of four people to be a free lunch and free milk
15 student during the school fiscal year immediately preceding the school
16 fiscal year for which aid is being calculated and (b) for school fiscal
17 year 2016-17 and each school fiscal year thereafter, a child under
18 nineteen years of age living in a household having an annual adjusted
19 gross income for the second calendar year preceding the beginning of the
20 school fiscal year for which aid is being calculated equal to or less
21 than the maximum household income pursuant to sections 9(b)(1) and 17(c)
22 (4) of the Richard B. Russell National School Lunch Act, 42 U.S.C.
23 1758(b)(1) and 42 U.S.C. 1766(c)(4), respectively, and sections 3(a)(6)
24 and 4(e)(1)(A) of the Child Nutrition Act of 1966, 42 U.S.C. 1772(a)(6)
25 and 42 U.S.C. 1773(e)(1)(A), respectively, as such acts and sections
26 existed on January 1, 2015, for a household of that size that would have
27 allowed the child to meet the income qualifications for free meals during
28 the school fiscal year immediately preceding the school fiscal year for
29 which aid is being calculated;

30 (29) Low-income students means the number of low-income children
31 within the district multiplied by the ratio of the formula students in

1 the district divided by the total children under nineteen years of age
2 residing in the district as derived from income tax information;

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

9 (31) Poverty students means (a) for school fiscal years prior to
10 2016-17, the number of low-income students or the number of students who
11 are free lunch and free milk students in a district plus the difference
12 of the number of low-income students or the number of students who are
13 free lunch and free milk students in a district, whichever is greater,
14 minus the average number of poverty students for such district, prior to
15 such addition, for the three immediately preceding school fiscal years if
16 such difference is greater than zero and (b) for school fiscal year
17 2016-17 and each school fiscal year thereafter, the unadjusted poverty
18 students plus the difference of such unadjusted poverty students minus
19 the average number of poverty students for such district, prior to such
20 addition, for the three immediately preceding school fiscal years if such
21 difference is greater than zero;

22 (32) Qualified early childhood education average daily membership
23 means the product of the average daily membership for school fiscal year
24 2006-07 and each school fiscal year thereafter of students who will be
25 eligible to attend kindergarten the following school year and are
26 enrolled in an early childhood education program approved by the
27 department pursuant to section 79-1103 for such school district for such
28 school year multiplied by the ratio of the actual instructional hours of
29 the program divided by one thousand thirty-two if: (a) The program is
30 receiving a grant pursuant to such section for the third year; (b) the
31 program has already received grants pursuant to such section for three

1 years; or (c) the program has been approved pursuant to subsection (5) of
2 section 79-1103 for such school year and the two preceding school years,
3 including any such students in portions of any of such programs receiving
4 an expansion grant;

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

18 (34) Regular route transportation means the transportation of
19 students on regularly scheduled daily routes to and from the attendance
20 center;

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

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

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

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

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

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

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

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

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

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

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

25 (42) State support means all funds provided to districts by the
26 State of Nebraska for the general fund support of elementary and
27 secondary education;

28 (43) Statewide average basic funding per formula student means the
29 statewide total basic funding for all districts divided by the statewide
30 total formula students for all districts;

31 (44) Statewide average general fund operating expenditures per

1 formula student means the statewide total general fund operating
2 expenditures for all districts divided by the statewide total formula
3 students for all districts;

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

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

16 (47) Tuition receipts from converted contracts means tuition
17 receipts received by a district from another district in the most
18 recently available complete data year pursuant to a converted contract
19 prior to the expiration of the contract;

20 (48) Tuitioned students means students in kindergarten through grade
21 twelve of the district whose tuition is paid by the district to some
22 other district or education agency;

23 (49) Unadjusted poverty students means, for school fiscal year
24 2016-17 and each school fiscal year thereafter, the greater of the number
25 of low-income students or the free lunch and free milk calculated
26 students in a district; and

27 (50) Very sparse local system means a local system that has:

28 (a)(i) Less than one-half student per square mile in each county in
29 which each high school attendance center is located based on the school
30 district census, (ii) less than one formula student per square mile in
31 the local system, and (iii) more than fifteen miles between the high

1 school attendance center and the next closest high school attendance
2 center on paved roads; or

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

8 Sec. 5. Section 79-1005.01, Revised Statutes Cumulative Supplement,
9 2018, is amended to read:

10 79-1005.01 (1) Not later than November 15 of each year, the Tax
11 Commissioner shall certify to the department for the preceding tax year
12 the income tax liability of resident individuals for each local system.

13 (2) For school fiscal years prior to 2017-18, one hundred two
14 million two hundred eighty-nine thousand eight hundred seventeen dollars
15 which is equal to the amount appropriated to the School District Income
16 Tax Fund for distribution in school fiscal year 1992-93 shall be
17 disbursed as option payments as determined under section 79-1009 and as
18 allocated income tax funds as determined in this section and sections
19 79-1008.01, 79-1015.01, 79-1017.01, and 79-1018.01, ~~except as provided in~~
20 ~~section 79-1008.02 for school fiscal years prior to school fiscal year~~
21 ~~2017-18~~. For school fiscal years prior to school fiscal year 2017-18,
22 funds not distributed as allocated income tax funds due to minimum levy
23 adjustments shall not increase the amount available to local systems for
24 distribution as allocated income tax funds.

25 (3) Using the data certified by the Tax Commissioner pursuant to
26 subsection (1) of this section, the department shall calculate the
27 allocation percentage and each local system's allocated income tax funds.
28 The allocation percentage shall be the amount stated in subsection (2) of
29 this section minus the total amount paid for option students pursuant to
30 section 79-1009, with the difference divided by the aggregate statewide
31 income tax liability of all resident individuals certified pursuant to

1 subsection (1) of this section. Each local system's allocated income tax
2 funds shall be calculated by multiplying the allocation percentage times
3 the local system's income tax liability certified pursuant to subsection
4 (1) of this section.

5 (4) For school fiscal year 2017-18 and each school fiscal year
6 thereafter, each local system's allocated income tax funds shall be
7 calculated by multiplying the local system's income tax liability
8 certified pursuant to subsection (1) of this section by two and twenty-
9 three hundredths percent.

10 Sec. 6. Section 79-1007.07, Revised Statutes Cumulative Supplement,
11 2018, is amended to read:

12 79-1007.07 (1)(a) The annual financial report required pursuant to
13 section 79-528 shall include:

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

16 (ii) The amount of federal funds received based on poverty as
17 defined by the federal program providing the funds; and

18 (iii) The expenditures and sources of funding for each program
19 related to poverty, ~~the method used to allocate money to the program and~~
20 ~~within the program,~~ and the expenditures and sources of funding for
21 support costs directly attributable to poverty.

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

25 (2) The department shall determine the poverty allowance
26 expenditures using the reported expenditures on the annual financial
27 report for the most recently available complete data year that would
28 include in the poverty allowance expenditures only those expenditures
29 that are not included in other allowances, that were used to specifically
30 address issues related to the education of students living in poverty,
31 that do not replace expenditures that would have occurred if the students

1 involved in the program did not live in poverty, and that are paid for
2 with noncategorical funds generated by state or local taxes.

3 (3) If the poverty allowance expenditures do not equal 117.65
4 percent or more of the poverty allowance for the most recently available
5 complete data year, the department shall calculate a poverty allowance
6 correction. The poverty allowance correction shall equal the poverty
7 allowance minus eighty-five percent of the poverty allowance
8 expenditures.

9 (4) The department may request additional information from any
10 school district to assist with calculations and determinations pursuant
11 to this section. If the school district does not provide information upon
12 the request of the department pursuant to this section, the school
13 district shall be disqualified from receiving a poverty allowance for the
14 school fiscal year for which aid is being calculated.

15 Sec. 7. Section 79-1007.09, Revised Statutes Cumulative Supplement,
16 2018, is amended to read:

17 79-1007.09 (1)(a) The annual financial report required pursuant to
18 section 79-528 shall include:

19 (i) The amount of the limited English proficiency allowance used in
20 the certification of state aid pursuant to section 79-1022 for such
21 school fiscal year;

22 (ii) The amount of federal funds received based on students who are
23 limited English proficient as defined by the federal program providing
24 the funds; and

25 (iii) The expenditures and sources of funding for each program
26 related to limited English proficiency, ~~the method used to allocate money~~
27 ~~to the program and within the program,~~ and the expenditures and sources
28 of funding for support costs directly attributable to limited English
29 proficiency.

30 (b) The department shall set up accounting codes for the receipts
31 and expenditures required to be reported on the annual financial report

1 pursuant to this subsection.

2 (2) The department shall determine the limited English proficiency
3 allowance expenditures using the reported expenditures on the annual
4 financial report for the most recently available complete data year that
5 would only include in the limited English proficiency allowance
6 expenditures those expenditures that are not included in other
7 allowances, that were used to specifically address issues related to the
8 education of students with limited English proficiency, that do not
9 replace expenditures that would have occurred if the students involved in
10 the program did not have limited English proficiency, and that are paid
11 for with noncategorical funds generated by state or local taxes.

12 (3) If the limited English proficiency allowance expenditures do not
13 equal 117.65 percent or more of the limited English proficiency allowance
14 for the most recently available complete data year, the department shall
15 calculate a limited English proficiency allowance correction. The limited
16 English proficiency allowance correction shall equal the limited English
17 proficiency allowance minus eighty-five percent of the limited English
18 proficiency allowance expenditures. If the limited English proficiency
19 allowance expenditures do not equal fifty percent or more of the
20 allowance for such school fiscal year, the school district shall also be
21 disqualified from receiving a limited English proficiency allowance for
22 the school fiscal year for which aid is being calculated.

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

30 Sec. 8. Section 79-1008.01, Revised Statutes Cumulative Supplement,
31 2018, is amended to read:

1 79-1008.01 ~~Each~~ Except as provided in section 79-1008.02 for school
2 fiscal years prior to school fiscal year 2017-18 and section 79-1009,
3 each local system shall receive equalization aid in the amount that the
4 total formula need of each local system, as determined pursuant to
5 section 79-1007.11 ~~sections 79-1007.04 to 79-1007.23 and 79-1007.25,~~
6 exceeds its total formula resources, as determined pursuant to section
7 79-1017.01. The equalization aid for a local system shall be zero if the
8 total formula resources equals or exceeds the total formula need for such
9 local system ~~sections 79-1015.01 to 79-1018.01.~~

10 Sec. 9. Section 79-1017.01, Revised Statutes Cumulative Supplement,
11 2018, is amended to read:

12 79-1017.01 (1) ~~For state aid calculated for school fiscal years~~
13 ~~2014-15 and 2015-16, local system formula resources includes other actual~~
14 ~~receipts determined pursuant to section 79-1018.01, net option funding~~
15 ~~determined pursuant to section 79-1009, teacher education aid determined~~
16 ~~pursuant to section 79-1007.25, instructional time aid determined~~
17 ~~pursuant to subsection (2) of section 79-1007.23, allocated income tax~~
18 ~~funds determined pursuant to section 79-1005.01, and minimum levy~~
19 ~~adjustments determined pursuant to section 79-1008.02 and is reduced by~~
20 ~~amounts paid by the district in the most recently available complete data~~
21 ~~year as property tax refunds pursuant to or in the manner prescribed by~~
22 ~~section 77-1736.06.~~

23 (2) ~~For state aid calculated for each school fiscal year 2016-17 and~~
24 ~~each school fiscal year thereafter, local system formula resources~~
25 ~~includes other actual receipts determined pursuant to section 79-1018.01,~~
26 ~~net option funding determined pursuant to section 79-1009, allocated~~
27 ~~income tax funds determined pursuant to section 79-1005.01, and community~~
28 ~~achievement plan aid determined pursuant to section 79-1005, and minimum~~
29 ~~levy adjustments determined pursuant to section 79-1008.02 for school~~
30 ~~fiscal years prior to school fiscal year 2017-18, and is reduced by~~
31 ~~amounts paid by the district in the most recently available complete data~~

1 year as property tax refunds pursuant to or in the manner prescribed by
2 section 77-1736.06.

3 Sec. 10. Section 79-1022, Revised Statutes Cumulative Supplement,
4 2018, is amended to read:

5 79-1022 (1) ~~On or before June 1, 2017, and on or before March 1 of~~
6 ~~each year thereafter, for each ensuing fiscal year, the department shall~~
7 ~~determine the amounts to be distributed to each local system and each~~
8 ~~district for the ensuing school fiscal year pursuant to the Tax Equity~~
9 ~~and Educational Opportunities Support Act and shall certify the amounts~~
10 ~~to the Director of Administrative Services, the Auditor of Public~~
11 ~~Accounts, each learning community for school fiscal years prior to school~~
12 ~~fiscal year 2017-18, and each local system district. Except as otherwise~~
13 ~~provided in this section, the amount to be distributed to each district~~
14 ~~from the amount certified for a local system shall be proportional based~~
15 ~~on the formula students attributed to each district in the local system.~~
16 ~~For school fiscal years prior to school fiscal year 2017-18, the amount~~
17 ~~to be distributed to each district that is a member of a learning~~
18 ~~community from the amount certified for the local system shall be~~
19 ~~proportional based on the formula needs calculated for each district in~~
20 ~~the local system. On or before June 1, 2017, and on or before March 1 of~~
21 ~~each year thereafter, for each ensuing fiscal year, the department shall~~
22 ~~report the necessary funding level for the ensuing school fiscal year to~~
23 ~~the Governor, the Appropriations Committee of the Legislature, and the~~
24 ~~Education Committee of the Legislature. The report submitted to the~~
25 ~~committees of the Legislature shall be submitted electronically. Except~~
26 ~~as otherwise provided in this subsection, certified state aid amounts,~~
27 ~~including adjustments pursuant to section 79-1065.02, shall be shown as~~
28 ~~budgeted non-property-tax receipts and deducted prior to calculating the~~
29 ~~property tax request in the local system's ~~district's~~ general fund budget~~
30 ~~statement as provided to the Auditor of Public Accounts pursuant to~~
31 ~~section 79-1024.~~

1 (2) Except as provided in this subsection, subsection (8) of section
2 79-1016, and sections 79-1005, 79-1033, and 79-1065.02, the amounts
3 certified pursuant to subsection (1) of this section shall be distributed
4 in ten as nearly as possible equal payments on the last business day of
5 each month beginning in September of each ensuing school fiscal year and
6 ending in June of the following year, except that when a local system
7 ~~school district~~ is to receive a monthly payment of less than one thousand
8 dollars, such payment shall be one lump-sum payment on the last business
9 day of December during the ensuing school fiscal year.

10 Sec. 11. Section 79-1110, Reissue Revised Statutes of Nebraska, is
11 amended to read:

12 79-1110 Sections 79-1110 to 79-1167 and section 14 of this act shall
13 be known and may be cited as the Special Education Act.

14 Sec. 12. Section 79-1113, Reissue Revised Statutes of Nebraska, is
15 amended to read:

16 79-1113 For purposes of the Special Education Act, unless the
17 context otherwise requires, the definitions found in sections 79-1114 to
18 79-1125.01 and section 14 of this act shall be used.

19 Sec. 13. Section 79-1115, Reissue Revised Statutes of Nebraska, is
20 amended to read:

21 79-1115 Allowable costs means:(1) ~~For school fiscal years prior to~~
22 ~~school fiscal year 1999-00, salaries, wages, benefits, and maintenance,~~
23 ~~supplies, travel, and other expenses essential to carry out the~~
24 ~~provisions for special education and support services; and(2) For school~~
25 ~~fiscal year 1999-00 and each school fiscal year thereafter, salaries,~~
26 wages, benefits, any medical expenditure by a school district for
27 purposes of providing individualized education plan services for a
28 special education student and health protection to the provider of the
29 services, and maintenance, supplies, travel, and other expenses essential
30 to carry out the provisions for special education and support services.

31 Sec. 14. Section 79-1115.01, Reissue Revised Statutes of Nebraska,

1 is amended to read:

2 79-1115.01 Assistive technology device means any item, piece of
3 equipment, or product system, whether acquired commercially off-the-shelf
4 or modified or customized, that is used to increase, maintain, or improve
5 functional capabilities of a child with a disability ~~children with~~
6 ~~disabilities~~.

7 Sec. 15. Section 79-1117, Reissue Revised Statutes of Nebraska, is
8 amended to read:

9 79-1117 Child with a disability means any person ~~a child~~ having a
10 disability listed in section 79-1118.01 that has been ~~and~~ verified
11 pursuant to sections 79-1137 to 79-1139 from the date of such
12 verification until he or she is twenty-one years of age or, if his or her
13 twenty-first birthday occurs during a school year, until the end of such
14 school year.

15 Sec. 16. Department means the State Department of Education.

16 Sec. 17. Section 79-1119, Reissue Revised Statutes of Nebraska, is
17 amended to read:

18 79-1119 Excess ~~For aid distributed in school fiscal years prior to~~
19 ~~2015-16, excess cost means the difference between the total cost of the~~
20 ~~special education program excluding residential care and the number of~~
21 ~~students in the special education program multiplied by the adjusted~~
22 ~~average per pupil cost of the preceding year for the school district of~~
23 ~~residence of each child. For aid distributed in school fiscal year~~
24 ~~2015-16 and each school fiscal year thereafter, excess cost means the~~
25 difference between the total cost of the special education program
26 excluding residential care minus federal medicaid funds received pursuant
27 to section 43-2511 for services to school-age children excluding amounts
28 designated as reimbursement for costs associated with the implementation
29 and administration of the billing system pursuant to section 43-2511 and
30 minus the product of the number of students in the special education
31 program multiplied by the adjusted average per pupil cost of the

1 preceding year for the school district of residence of each child.

2 Sec. 18. Section 79-1119.01, Reissue Revised Statutes of Nebraska,
3 is amended to read:

4 79-1119.01 Interim-program school means a school approved by the
5 State Board of Education and located in or operated by (1) a county
6 detention home established under section 43-2,110, (2) a juvenile
7 emergency shelter, or (3) any institution which is a public or private
8 facility, not owned or operated by a school district, which provides a
9 residential program and regular educational or special education services
10 ~~with a special education rate~~ approved by the State Department of
11 Education.

12 Sec. 19. Section 79-1122, Reissue Revised Statutes of Nebraska, is
13 amended to read:

14 79-1122 Residential care means food and lodging and any other
15 related expenses which are not a part of the education program, but
16 residential care does not include expenditures for medical or dental
17 services, which . ~~Expenditures for medical and dental services~~ shall be
18 the responsibility of the parent or legal guardian.

19 Sec. 20. Section 79-1124, Reissue Revised Statutes of Nebraska, is
20 amended to read:

21 79-1124 Service agency means the school district, educational
22 service unit, local or regional office of intellectual disability,
23 interim-program school, or some combination thereof or such other agency
24 as may provide a special education program approved by the State
25 Department of Education, including an institution not wholly owned or
26 controlled by the state or any political subdivision to the extent that
27 it provides educational or other services for the benefit of a child with
28 a disability ~~children from the age of five to the age of twenty-one years~~
29 ~~with disabilities~~ if such services are nonsectarian in nature.

30 Sec. 21. Section 79-1125.01, Reissue Revised Statutes of Nebraska,
31 is amended to read:

1 79-1125.01 Support services means preventive services for a student
2 that is ~~those children from birth to age twenty one years and, if the~~
3 ~~child's twenty-first birthday occurs during the school year, until the~~
4 ~~end of that school year,~~ not identified or verified as ~~children with~~
5 ~~disabilities~~ pursuant to sections 79-1118.01, 79-1138, and 79-1139 but
6 demonstrating a need for specially designed assistance in order to
7 benefit from the school district's general education curriculum and to
8 avoid the need for potentially expensive special education placement and
9 services. Support services include the educational services provided to a
10 child pursuant to subdivision (10)(c) of section 79-215 by an interim-
11 program school or an approved or accredited school maintained by a
12 residential setting if such child has not been identified or verified as
13 a child with a disability pursuant to sections 79-1118.01 and 79-1138 but
14 demonstrates a need for specially designed assistance by residing in a
15 residential setting described in subdivision (10)(a) of section 79-215.

16 Sec. 22. Section 79-1126, Reissue Revised Statutes of Nebraska, is
17 amended to read:

18 79-1126 The Special Education Act applies to a child with a
19 disability until the child no longer meets the definition of a child with
20 a disability from the date of diagnosis or the date of notification of
21 ~~the school district of residence to age twenty-one and, if the child's~~
22 ~~twenty-first birthday occurs during a school year, until the end of that~~
23 ~~school year. All provisions of state law related to special education~~
24 ~~which apply to a child with a disability who is age twenty shall apply to~~
25 ~~a child with a disability whose twenty-first birthday occurs during a~~
26 ~~school year until the end of that school year. The Division of Vocational~~
27 ~~Rehabilitation of the department State Department of Education shall, in~~
28 compliance with federal guidelines, assume responsibility for the
29 training of those individuals whose education or training under the
30 Special Education Act is terminated and for whom additional supportive
31 services are required.

1 Sec. 23. Section 79-1127, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 79-1127 The school board of education of every school district shall
4 provide or contract for special education programs and transportation for
5 all resident children with disabilities who would benefit from such
6 programs in accordance with the Special Education Act and all applicable
7 requirements of the federal Individuals with Disabilities Education Act,
8 20 U.S.C. 1401 et seq., as such sections existed on January 1, 2019 ~~2009~~,
9 and the regulations adopted thereunder.

10 Sec. 24. Section 79-1128, Reissue Revised Statutes of Nebraska, is
11 amended to read:

12 79-1128 ~~The special education programs required by section 79-1127~~
13 ~~may be provided by any school district, by contracting with another~~
14 ~~school district or service agency, or by some combination of school~~
15 ~~districts, an educational service unit, combination of educational~~
16 ~~service units, the local or regional office of intellectual disability,~~
17 ~~any program approved by the State of Nebraska, or any combination~~
18 ~~thereof, except that only nonsectarian services shall be considered for~~
19 ~~approval by the State of Nebraska.~~ Any program receiving funds under the
20 Special Education Act shall not use such funds to match state funds under
21 the provisions of other programs. The members of the school board of any
22 school district not offering continuous special education programs
23 acceptable to the State Board of Education shall be in violation of the
24 law. No state funds shall be paid to any school district as long as such
25 violation exists, but no deduction shall be made from any funds required
26 by the Constitution of Nebraska to be paid to such district.

27 Sec. 25. Section 79-1129, Reissue Revised Statutes of Nebraska, is
28 amended to read:

29 79-1129 (1) The school board of the resident school district ~~or~~
30 ~~board of education~~ shall provide one of the following types of services
31 to children with disabilities ~~for whom the school district is the school~~

1 ~~district of residence:~~

2 (a) Provide for the transportation expenses for children with
3 disabilities who are forced to leave the school district temporarily
4 because of lack of educational services. A parent or guardian
5 transporting such a child shall be paid for each day of attendance at the
6 mileage rate provided in section 81-1176 for each actual mile or fraction
7 thereof traveled between the place of residence and the program of
8 attendance, and when any parent or guardian transports more than one
9 child with a disability in his or her custody or control enrolled in
10 programs at the same location, the amount of payments to such parent or
11 guardian shall be based upon the transportation of one such child. No
12 transportation payments shall be made to a parent or guardian for mileage
13 not actually traveled by such parent or guardian;

14 (b) Provide for the transportation expenses within the school
15 district of any child with a disability who is enrolled in a special
16 educational program of the district when either (i) the child is required
17 to attend a facility other than what would be the normal school or
18 attendance facility of the child to receive appropriate special
19 educational services or (ii) the nature of the child's disability is such
20 that special transportation is required. A parent or guardian
21 transporting such child shall be paid for each day of attendance at the
22 mileage rate provided in section 81-1176 for each actual mile or fraction
23 thereof traveled between the place of residence and the program of
24 attendance, and when any parent or guardian transports more than one
25 child with a disability in his or her custody or control enrolled in
26 programs at the same location, the amount of payments to such parent or
27 guardian shall be based upon the transportation of one such child. No
28 transportation payments shall be made to a parent or guardian for mileage
29 not actually traveled by such parent or guardian;

30 (c) Provide visiting teachers for homebound children with
31 disabilities. Such teachers shall be certified and qualified in the same

1 manner as required for other teachers in Nebraska;

2 (d) Provide correspondence instruction approved by the Commissioner
3 of Education; or

4 (e) Provide any other method of instruction approved by the
5 Commissioner of Education.

6 (2) When a child with a disability resides in or attends a preschool
7 or child care program in a school district other than the school district
8 of residence of his or her parents or guardian, the nonresident school
9 district may, upon mutual agreement with the school district of
10 residence, provide for the transportation expenses of the child.

11 Sec. 26. Section 79-1130, Reissue Revised Statutes of Nebraska, is
12 amended to read:

13 79-1130 (1) It is the intent of the Legislature that transportation
14 services for children with disabilities prescribed in section 79-1129
15 shall be provided in the most cost-efficient manner consistent with the
16 goal of providing free appropriate special education to all such
17 children. The Legislature finds that educational service units and
18 special education cooperatives created by school districts and recognized
19 by the department ~~State Department of Education~~ are in a unique position
20 to improve the coordination and efficiency of transportation services in
21 all areas of the state. It is the intent of the Legislature to authorize
22 and encourage school districts, educational service units, and special
23 education cooperatives to jointly plan, coordinate, and, where feasible,
24 provide transportation services for children with disabilities. The
25 department ~~State Department of Education~~ shall review and approve,
26 approve with modifications, or disapprove all transportation applications
27 to ensure the implementation of the most cost-efficient transportation
28 system, consistent with the goal of providing free appropriate special
29 education to all children.

30 (2) School districts, educational service units, and special
31 education cooperatives created by school districts and recognized by the

1 ~~department~~ State Department of Education are authorized to jointly plan,
2 coordinate, and, where feasible, provide special education transportation
3 services prescribed in section 79-1129. Any educational service unit or
4 special education cooperative may enter into a cooperative arrangement
5 with a school board ~~or board of education of a school district~~ for the
6 provision of such transportation services. Such arrangement shall be
7 approved by the ~~department~~ State Department of Education, and upon
8 approval of the arrangement the educational service unit or special
9 education cooperative providing the transportation services shall be
10 eligible to receive direct reimbursement for such services pursuant to
11 section 79-1144.

12 Sec. 27. Section 79-1132, Reissue Revised Statutes of Nebraska, is
13 amended to read:

14 79-1132 The ~~department~~ State Department of Education shall provide
15 grants for the costs of the special education programs approved by the
16 ~~department~~ State Department of Education to the school district of
17 residence for children with disabilities who are less than five years of
18 age. ~~Educational service units or cooperatives of school districts~~
19 ~~recognized as regional planning entities by the State Board of Education~~
20 ~~pursuant to section 79-1135 shall be eligible to receive grants for~~
21 ~~cooperative programs for such children with disabilities who are less~~
22 ~~than five years of age if such educational service units or cooperatives~~
23 ~~have complied with the reporting and approval requirements of such~~
24 ~~section. The grants shall be one hundred percent of the costs of such~~
25 ~~programs and shall continue to be one hundred percent as long as the~~
26 ~~funding for such grants comes from federal funds. For special education~~
27 ~~programs and transportation provided to children with disabilities who~~
28 ~~are less than five years of age in fiscal year 1995-96 and each fiscal~~
29 ~~year thereafter, if federal funding pursuant to the federal Individuals~~
30 ~~with Disabilities Education Act, as such act existed on May 8, 2001, Part~~
31 ~~B and section 619 base year allocation flow-through funds is inadequate~~

1 ~~at any time to pay one hundred percent of the allowable costs of such~~
2 ~~programs and transportation, the amount of the grant payments provided by~~
3 ~~the department shall be a pro rata amount as determined by the State~~
4 ~~Board of Education from appropriations for special education approved by~~
5 ~~the Legislature and based on such allowable costs for all special~~
6 ~~education programs and transportation to children with disabilities who~~
7 ~~are less than five years of age. The grant payments based upon claims~~
8 ~~submitted shall be made by the State Department of Education to the~~
9 ~~school district of residence, educational service unit, or regional~~
10 ~~planning entity recognized by the State Board of Education pursuant to~~
11 ~~section 79-1135 each year.~~

12 Sec. 28. Section 79-1135, Reissue Revised Statutes of Nebraska, is
13 amended to read:

14 79-1135 Each school district shall demonstrate participation in a
15 plan of services for children with disabilities who are less than five
16 years of age. Such plans shall be prepared on a regional basis as
17 determined by the department ~~State Department of Education~~ and updated
18 annually.

19 The content of plans shall be prescribed by the department.

20 Supplementary amendments to any program plans may be submitted on
21 dates specified by the department during the same school year and shall
22 be subject to the same review as the initial plans.

23 Sec. 29. Section 79-1136, Reissue Revised Statutes of Nebraska, is
24 amended to read:

25 79-1136 Sections ~~79-1126~~ and 79-1131 to 79-1136 do not prevent
26 funding from sources other than the public schools for the program for
27 children with disabilities who are less than five years of age.

28 Sec. 30. Section 79-1138, Reissue Revised Statutes of Nebraska, is
29 amended to read:

30 79-1138 (1) The State Board of Education shall adopt and promulgate
31 rules and regulations establishing criteria for the assessment,

1 identification, and verification of all disabilities defined in section
2 79-1118.01 to the extent that such disabilities are consistent with
3 federal law and regulation.

4 (2) The Commissioner ~~State Board~~ of Education shall develop
5 guidelines to assist school districts, educational service units, and
6 approved cooperatives with the assessment, identification, and
7 verification of the need for related services defined in section 79-1121.

8 Sec. 31. Section 79-1139, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 79-1139 Each school district shall include only students identified
11 and verified pursuant to sections 79-1137 and 79-1138 in special
12 education programs and shall not provide special education services
13 pursuant to the Special Education Act to any child who has not been so
14 identified and verified, ~~except that the verification requirements~~
15 ~~established by rules and regulations adopted and promulgated by the State~~
16 ~~Board of Education shall not apply to students who have been included in~~
17 ~~special education programs pursuant to the special education statutes and~~
18 ~~rules and regulations adopted and promulgated pursuant thereto in effect~~
19 ~~immediately prior to July 17, 1986, until such time as such children are~~
20 ~~required to be reverified for special education.~~

21 Sec. 32. Section 79-1142, Reissue Revised Statutes of Nebraska, is
22 amended to read:

23 79-1142 (1) Level I services refers to services provided to children
24 with disabilities who require an aggregate of not more than three hours
25 per week of special education services and support services and includes
26 all administrative, diagnostic, consultative, and vocational-adjustment
27 counselor services.

28 (2) The total allowable reimbursable cost for support services shall
29 not exceed a percentage, established by the State Board of Education, of
30 the school district's or approved cooperative's total allowable
31 reimbursable cost for all special education programs and support

1 services. The percentage established by the board ~~State Board of~~
2 ~~Education~~ for support services shall not exceed the difference of ten
3 percent minus the percentage of the appropriations for special education
4 approved by the Legislature set aside for reimbursements for support
5 services pursuant to subsection (5) of this section.

6 (3) For special education and support services provided in each
7 school fiscal year, the department ~~State Department of Education~~ shall
8 reimburse each school district in the following school fiscal year a pro
9 rata amount determined by the department. The reimbursement percentage
10 shall be the ratio of the difference of the appropriations for special
11 education approved by the Legislature minus the amounts set aside
12 pursuant to subsection (5) of this section divided by the total allowable
13 excess costs for all special education programs and support services.

14 (4) Cooperatives of school districts or educational service units
15 shall also be eligible for reimbursement for cooperative programs
16 pursuant to this section if such cooperatives or educational service
17 units have complied with the reporting and approval requirements of
18 section 79-1155 for cooperative programs which were offered the preceding
19 year. The payments shall be made by the department to the school district
20 of residence, cooperative of school districts, or educational service
21 unit each year in a minimum of seven payments between the fifth and
22 twentieth day of each month beginning in December. Additional payments
23 may be made based upon additional valid claims submitted. The State
24 Treasurer shall, between the fifth and twentieth day of each month,
25 notify the Director of Administrative Services of the amount of funds
26 available in the General Fund for payment purposes. The director shall,
27 upon receiving such certification, draw warrants against funds
28 appropriated.

29 (5) Residential ~~On and after August 1, 2010, residential~~ settings
30 described in subdivision (10)(c) of section 79-215 shall be reimbursed
31 for the educational services, including special education services and

1 support services, ~~provided pursuant to such subdivision on or after~~
2 ~~August 1, 2010,~~ in an amount determined pursuant to the average per pupil
3 cost of the service agency. Reimbursements pursuant to this section shall
4 be made from funds set aside for such purpose within sixty days after
5 receipt of a reimbursement request submitted in the manner required by
6 the department and including any documentation required by the department
7 for educational services that have been provided, except that if there
8 are not any funds available for the remainder of the state fiscal year
9 for such reimbursements, the reimbursement shall occur within thirty days
10 after the beginning of the immediately following state fiscal year. The
11 department may audit any required documentation and subtract any payments
12 made in error from future reimbursements. The department ~~State Board of~~
13 ~~Education~~ shall set aside separate amounts from the appropriations for
14 special education approved by the Legislature for reimbursements pursuant
15 to this subsection for students receiving special education services and
16 for students receiving support services for each state fiscal year. The
17 amounts set aside for each purpose shall be based on estimates of the
18 reimbursements to be requested during the state fiscal year and shall not
19 be less than the total amount of reimbursements requested in the prior
20 state fiscal year plus any unpaid requests from the prior state fiscal
21 year.

22 Sec. 33. Section 79-1144, Revised Statutes Cumulative Supplement,
23 2018, is amended to read:

24 79-1144 (1) Funds shall be appropriated by the Legislature to carry
25 out sections 79-1142 to 79-1144 and 79-1147 and included in the budget
26 of . ~~Such funds shall be channeled through the department~~ State
27 ~~Department of Education.~~ The department is authorized to expend such
28 funds upon proper vouchers approved by the department and warrants issued
29 by the Director of Administrative Services for financial reimbursement to
30 school districts, educational service units, special education
31 cooperatives created by school districts, agencies, and parents or

1 guardians, including (a) reimbursement pursuant to section 79-1129 for
2 actual transportation expenses per year for children with disabilities a
3 pro rata amount which shall be determined by the department ~~State Board~~
4 ~~of Education~~ from appropriations for special education approved by the
5 Legislature based on all actual allowable transportation costs, (b)
6 reimbursement for instructional aids and consultative, supervisory,
7 research, and testing services to school districts, and (c) reimbursement
8 for salaries, wages, maintenance, supplies, travel, and other expenses
9 essential to carrying out the provisions for special education programs.
10 Minor building modifications shall not be eligible for state
11 reimbursement as an allowable expense. Applications for state
12 reimbursement for actual transportation expenses shall be submitted to
13 the department annually on a date and on forms prescribed by the
14 department. Amendments to applications for actual transportation expenses
15 shall be submitted on dates prescribed by the department ~~during the~~
16 ~~school year in which the original application was made.~~

17 (2) Any adjustment of payments pursuant to section 79-1065 caused by
18 the failure of a school district to meet federal spending requirements
19 under the federal Individuals with Disabilities Education Act as such act
20 existed on January 1, 2019 ~~2017~~, may be used by the department to
21 reimburse the United States Department of Education in the amount of the
22 federal funds awarded to such school district or the amount of such
23 adjustment, whichever is less.

24 Sec. 34. Section 79-1145, Reissue Revised Statutes of Nebraska, is
25 amended to read:

26 79-1145 ~~(1) For each fiscal year prior to fiscal year 2014-15, the~~
27 ~~aggregate amount of General Funds appropriated for special education~~
28 ~~programs and support services pursuant to sections 79-1129, 79-1132, and~~
29 ~~79-1144 shall not exceed the aggregate amount of General Funds~~
30 ~~appropriated pursuant to such sections for the previous fiscal year,~~
31 ~~increased by five percent.~~(2) For each fiscal year ~~2014-15~~ and each

1 ~~fiscal year thereafter, the aggregate amount of General Funds~~
2 ~~appropriated for special education programs and support services pursuant~~
3 ~~to sections 79-1129, 79-1132, and 79-1144 shall not exceed the aggregate~~
4 ~~amount of General Funds appropriated pursuant to such sections for the~~
5 ~~previous fiscal year, increased by ten percent. For purposes of this~~
6 ~~section, for fiscal year 2016-17 the aggregate amount of General Funds~~
7 ~~appropriated for special education programs and support services pursuant~~
8 ~~to sections 79-1129, 79-1132, and 79-1144 for the previous fiscal year~~
9 ~~shall be the net amount after any decrease required pursuant to section~~
10 ~~43-2515.~~

11 Sec. 35. Section 79-1147, Reissue Revised Statutes of Nebraska, is
12 amended to read:

13 79-1147 Whenever a child with a disability must temporarily reside
14 in a residential facility, boarding home, or foster home in order to
15 receive an appropriate special education program, the State of Nebraska
16 shall provide for the ordinary and reasonable cost of the residential
17 care during the duration of the special education program. The state
18 shall not be required to pay such cost unless placement of the child in a
19 special education program requiring residential care was made by the
20 school district of residence with the prior approval of the department
21 ~~State Department of Education~~ or was made pursuant to sections 79-1162 to
22 79-1167.

23 Sec. 36. Section 79-1148, Reissue Revised Statutes of Nebraska, is
24 amended to read:

25 79-1148 The department ~~State Department of Education~~ is authorized
26 to set up one or more statewide regional networks, approved schools, or
27 centers for children with disabilities. Any such regional network,
28 school, or center may offer residential facilities or services for such
29 children, and such services shall be under the control and supervision of
30 the department ~~State Department of Education~~.

31 Sec. 37. Section 79-1149, Reissue Revised Statutes of Nebraska, is

1 amended to read:

2 79-1149 The admission to any regional network, school, or center, as
3 provided by section 79-1148, shall be by rules and regulations ~~to be~~
4 adopted and , promulgated, ~~and administered~~ by the State Board ~~Department~~
5 of Education.

6 Sec. 38. Section 79-1154, Reissue Revised Statutes of Nebraska, is
7 amended to read:

8 79-1154 The department ~~State Board of Education~~ shall review special
9 training and educational programs offered by or in conjunction with any
10 public school district, combination of public school districts,
11 educational service unit, or combination of educational service units
12 subject to the following:

13 (1) Each teacher in any such special program shall be qualified;

14 (2) Teacher aides working with any such program shall have such
15 qualifications as the governing body of the school district, educational
16 service unit, or combination shall prescribe and shall participate in
17 appropriate inservice activities; and

18 (3) Each qualified teacher shall be responsible for the direct
19 supervision of teacher aides, whose duties shall be limited to those
20 prescribed in section 79-802.

21 For purposes of this section, qualified teacher means an individual
22 holding a valid State of Nebraska teaching or special services
23 certificate with an endorsement appropriate to the disabilities served.
24 If such teacher is serving children with more than one disability,
25 qualified teacher means an individual holding a valid State of Nebraska
26 teaching or special services certificate with an endorsement in at least
27 one of the disabilities served.

28 Sec. 39. Section 79-1155, Reissue Revised Statutes of Nebraska, is
29 amended to read:

30 79-1155 All school districts shall, on a date prescribed by the
31 department ~~State Department of Education~~, file with the department

1 application information for special education programs and support
2 services. Cooperatives of school districts or educational service units
3 applying for grants or reimbursement for programs pursuant to section
4 79-1132, 79-1142, or 79-1144 shall also file application information
5 pursuant to this section. The application forms shall conform to
6 reporting requirements provided in section 79-1156. The department shall
7 review and take action to approve, approve with modifications, or
8 disapprove the application for special education programs of the school
9 district, cooperative of school districts, or educational service unit.
10 Supplementary amendments to any program application previously approved
11 by the department may be submitted on dates specified by the department
12 during the same school year and shall be subject to the same review and
13 approval as the initial application. The department shall approve,
14 approve with modifications, or disapprove all supplementary amendments to
15 the program application. All final financial reports on special education
16 and support services costs shall be reported to the department by October
17 31 of each year for the preceding school year on forms prescribed by the
18 department. Any program that provides residential care shall show the
19 costs of such care separately from the costs of the education program.

20 Sec. 40. Section 79-1156, Reissue Revised Statutes of Nebraska, is
21 amended to read:

22 79-1156 The department ~~State Department of Education~~ shall
23 coordinate information reporting requirements for special education and
24 support services programs with other educational data reporting
25 requirements of the department to the extent possible. The application
26 for programs shall contain the information required by the department.

27 Sec. 41. Section 79-1157, Reissue Revised Statutes of Nebraska, is
28 amended to read:

29 79-1157 All special education programs shall be reviewed by the
30 department ~~State Department of Education~~.

31 ~~To enable the State Department of Education to determine the~~

1 effectiveness of the programs and services being provided, the department
2 shall conduct a program of continuing evaluations of the different types
3 of programs and services being provided for each of the service groups.
4 In conducting these evaluations, the department shall take into account
5 such factors as numbers and types of children with disabilities, class
6 sizes, qualifications of staff, and other factors which the department
7 deems appropriate. The department shall conduct evaluations of all
8 programs and services and shall conduct these evaluations in such a
9 manner as to enable the department to compare the relative effectiveness
10 of the same or similar programs or services provided in different
11 locations.

12 Evaluation studies shall be designed to provide the Legislature, the
13 department ~~State Department of Education~~, the school districts, and other
14 service agencies with the following information:

15 (1) A detailed description of groups served;

16 (2) A detailed description of the kind of programs or services
17 provided and their cost per unit of service as well as the cost of each
18 service; and

19 (3) A detailed description of the effectiveness of the programs or
20 services.

21 Sec. 42. Section 79-1158, Reissue Revised Statutes of Nebraska, is
22 amended to read:

23 79-1158 No reimbursement for special education and support services
24 programs shall be allowed unless the program meets the standards
25 established by the department ~~State Department of Education~~.

26 Sec. 43. Section 79-1159, Reissue Revised Statutes of Nebraska, is
27 amended to read:

28 79-1159 The department ~~State Department of Education~~, upon the
29 request of any school district, shall provide technical assistance in the
30 promulgation of any plan, program, or report required by the Special
31 Education Act. Such assistance shall be given only in an advisory

1 capacity and shall not be designed or construed to transfer, either in
2 whole or in part, the responsibility for or actual development or
3 implementation of such plan, program, or report.

4 Sec. 44. Section 79-1159.01, Reissue Revised Statutes of Nebraska,
5 is amended to read:

6 79-1159.01 The department ~~State Department of Education~~ shall
7 establish a registry for assistive technology devices to encourage and
8 facilitate cooperation and shared usage of assistive technology devices.
9 Participation by school districts, educational service units, and
10 approved cooperatives shall be voluntary.

11 Sec. 45. Section 79-1160, Reissue Revised Statutes of Nebraska, is
12 amended to read:

13 79-1160 The State Board ~~Department of Education~~ may ~~shall~~ adopt,
14 promulgate, and publish rules and regulations necessary to carry out the
15 Special Education Act. ~~Such rules and regulations shall include, but not~~
16 ~~be limited to, the regulation of costs under section 79-1152, limitation~~
17 ~~of the program to children with disabilities who require residential care~~
18 ~~in order to receive an appropriate special education program, and~~
19 ~~provisions for contracts with the Department of Health and Human Services~~
20 ~~to assist in the administration of the act.~~

21 Sec. 46. Section 79-1161, Reissue Revised Statutes of Nebraska, is
22 amended to read:

23 79-1161 (1) School districts shall establish and maintain procedures
24 to protect the rights of a child with a disability whenever (a) no
25 parents of the child can be identified, (b) the school district cannot,
26 after reasonable efforts, locate a parent of the child, (c) the child is
27 a ward of the state, or (d) the child is an unaccompanied or homeless
28 youth as defined by ~~in~~ the McKinney-Vento Homeless Assistance Act, 42
29 U.S.C. 11434 ~~11434a(6)~~, as such section existed on January 1, 2019 ~~2009~~.
30 Such procedures shall include the assignment of an individual to act as a
31 surrogate for the parents. The school district shall make reasonable

1 efforts to ensure the assignment of a surrogate not more than thirty days
2 after there is a determination by the district that the child needs a
3 surrogate. In the case of a child who is a ward of the state, such
4 surrogate may alternatively be appointed by the judge overseeing the
5 child's care if the surrogate meets the requirements of subdivision (2)
6 (c) of this section.

7 (2) The surrogate parent shall (a) have no interest which conflicts
8 with the interest of the child, (b) have knowledge and skills that insure
9 adequate representation, and (c) not be an employee of any agency
10 involved in the care or education of the child. A person otherwise
11 qualified to be a surrogate parent under this subsection is not an
12 employee of the agency solely because he or she is paid by the agency to
13 serve as a surrogate parent. The surrogate parent appointed under this
14 section may represent the child in all matters relating to the
15 identification, evaluation, and educational placement of the child and
16 the provision of a free appropriate public education to the child.

17 (3) The services of the surrogate parent shall be terminated when
18 (a) the child is no longer eligible under subsection (1) of this section,
19 (b) a conflict of interest develops between the interest of the child and
20 the interest of the surrogate parent, or (c) the surrogate parent fails
21 to fulfill his or her duties as a surrogate parent. Issues arising from
22 the selection, appointment, or removal of a surrogate parent by a school
23 district shall be resolved through hearings established under sections
24 79-1162 to 79-1167. The surrogate parent and the school district which
25 appointed the surrogate parent shall not be liable in civil actions for
26 damages for acts of the surrogate parent unless such acts constitute
27 willful and wanton misconduct.

28 Sec. 47. Section 79-1162, Reissue Revised Statutes of Nebraska, is
29 amended to read:

30 79-1162 A parent, guardian, competent student of the age of
31 majority, or school district may initiate a hearing on matters related to

1 the initiation, change, or termination or the refusal to initiate,
2 change, or terminate the identification, evaluation, or educational
3 placement of a child with a disability or the provision of a free
4 appropriate public education or records relating thereto. A copy of the
5 procedures specified in rules and regulations of the department State
6 ~~Department of Education~~ for complaints and hearings under this section
7 shall be provided by school districts to all parents and guardians of
8 children with disabilities upon initial consideration of the provision of
9 services for their children with disabilities. Such hearing shall be
10 initiated by filing a petition with the department State ~~Department of~~
11 ~~Education~~.

12 Sec. 48. Section 79-1163, Reissue Revised Statutes of Nebraska, is
13 amended to read:

14 79-1163 The department State ~~Department of Education~~ shall conduct
15 hearings initiated under section 79-1162 using hearing officers and ~~—~~The
16 ~~State Department of Education~~ may employ, retain, or approve such
17 qualified hearing officers as are necessary to conduct hearings provided
18 by sections ~~79-1152 and~~ 79-1162 to 79-1167. The hearing officers shall
19 not be persons who are employees or officers of a state or local public
20 agency which is involved in the education or care of the child with a
21 disability on whose behalf the hearing is being held. A person who
22 otherwise qualifies to conduct a hearing under such sections is not an
23 employee of the agency solely because the person is paid by the agency to
24 serve as a hearing officer. No hearing officer shall participate in any
25 way in any hearing or matter in which the hearing officer may have a
26 conflict of interest. Hearing officers appointed and assigned by the
27 department State ~~Department of Education~~ shall have exclusive original
28 jurisdiction over cases arising under such sections, and juvenile courts
29 shall not in any event have jurisdiction over such matters.

30 Sec. 49. Section 79-1164, Reissue Revised Statutes of Nebraska, is
31 amended to read:

1 79-1164 Upon the receipt of a petition filed under section 79-1162,
2 the department ~~State Department of Education~~ shall assign it to a hearing
3 officer. The hearing officer shall receive all subsequent pleadings and
4 shall conduct the hearing. At the hearing the parties shall present
5 evidence on the issues raised in the pleadings. At the completion of the
6 proceedings, the hearing officer shall prepare a report based on the
7 evidence presented containing findings of fact and conclusions of law.
8 Within forty-five days after the receipt of a request for a hearing, the
9 hearing officer shall prepare a final decision and order directing such
10 action as may be necessary. At the request of either party for good cause
11 shown, the hearing officer may grant specific extensions of time beyond
12 this period. The report and the final decision and order shall be
13 delivered via certified mail to each party or attorney of record and to
14 the Commissioner of Education.

15 Sec. 50. Section 79-1167, Reissue Revised Statutes of Nebraska, is
16 amended to read:

17 79-1167 (1) Any party to a hearing conducted under sections 79-1162
18 to 79-1166 aggrieved by the findings, conclusions, or final decision and
19 order of the hearing officer is entitled to judicial review under this
20 section. Any party of record also may seek enforcement of the final
21 decision and order of the hearing officer pursuant to this section.

22 (2) Proceedings for judicial review shall be instituted by filing a
23 petition in the district court of the county in which the main
24 administrative offices of the school district are located within two
25 years after service of the final decision and order on the party seeking
26 such review. All parties of record shall be made parties to the
27 proceedings. The court, in its discretion, may permit other interested
28 parties to intervene.

29 (3) The filing of a petition for judicial review shall operate to
30 stay the enforcement of the final decision and order of the hearing
31 officer. While judicial proceedings are pending and unless the school

1 district and the parent or guardian otherwise agree, the child with a
2 disability shall remain in his or her current educational placement or if
3 applying for initial admission to a public school such child shall, with
4 the consent of the parent or guardian, be placed in the public school
5 program until all such proceedings have been completed. If the decision
6 of the hearing officer agrees with the parent or guardian of the child
7 that a change in placement is appropriate, then that placement shall be
8 treated as an agreement between the parties for purposes of this
9 subsection.

10 (4) Within fifteen days after receiving notification that a petition
11 for judicial review has been filed or if good cause is shown within such
12 further time as the court may allow, the department ~~State Department of~~
13 ~~Education~~ shall prepare and transmit to the court a certified transcript
14 of the proceedings before the hearing officer.

15 (5) Judicial review shall be conducted by the court without a jury.
16 The court shall receive the records of the administrative proceedings,
17 hear additional evidence at the request of a party, base its decision on
18 the preponderance of the evidence, and grant such relief as the court
19 determines is appropriate.

20 (6) An aggrieved party may secure a review of any final judgment of
21 the district court under this section by appeal to the Court of Appeals.
22 Such appeal shall be taken in the manner provided by law for appeals in
23 civil cases and shall be heard de novo on the record.

24 (7) Proceedings for enforcement of a hearing officer's final
25 decision and order shall be instituted by filing a petition for
26 appropriate relief in the district court of the county in which the main
27 administrative offices of the school district are located within one year
28 after the date of the hearing officer's final decision and order.

29 Sec. 51. Section 79-1302, Reissue Revised Statutes of Nebraska, is
30 amended to read:

31 79-1302 The Legislature finds that the utilization of appropriate

1 technologies can provide enhanced educational services and broadened
2 educational opportunities for Nebraska learners. It is the intent of the
3 Legislature: (1) To utilize technology to provide effective and efficient
4 digital distance learning; (2) to provide assistance and direction in the
5 training of Nebraska teachers in uses of technology for instruction
6 through electronic means; (3) to establish and support an electronic data
7 network and data bases for Nebraska educators and learners; (4) to
8 support the evaluation and dissemination of models of successful
9 technologies which improve instruction or learning; (5) to provide
10 support for cooperative education-technology ventures in partnership with
11 public or private entities; and (6) to provide support for cooperative
12 purchase or leasing of administrative or instructional software or
13 software licenses in partnership with schools, educational service units,
14 and other states.

15 Sec. 52. Section 79-1304, Reissue Revised Statutes of Nebraska, is
16 amended to read:

17 79-1304 The Educational Technology Center has, but is not limited
18 to, the following specific duties:

19 (1) To evaluate Internet-based digital distance education courses
20 and open education resources;

21 (2) To provide clearinghouse services for information concerning
22 current technology projects as well as software and hardware development;

23 (3) To serve as a demonstration site for state-of-the-art hardware
24 appropriate to an educational setting;

25 (4) To provide technical assistance to educators in working with
26 hardware and software and Internet-based resources;

27 (5) To provide inservice and preservice training for educators, in
28 conjunction with other educational entities as defined in section
29 79-1201.01, in the use of digital devices, communication systems,
30 computers, telecommunications, and other electronic technologies
31 appropriate to an educational setting;

1 (6) To sponsor activities which promote the use of technology in the
2 classroom;

3 (7) To serve as a liaison between business and education interests
4 in technology communication;

5 (8) To support research and recommendations for digital experiment
6 ~~with various~~ applications and ~~or~~ technology in education;

7 (9) To assist schools in planning for and selecting appropriate
8 technologies;

9 (10) To design, implement, and evaluate pilot projects to assess the
10 usefulness of technologies in school management, curriculum, instruction,
11 and learning;

12 (11) To seek partnerships with the Nebraska Educational
13 Telecommunications Commission, the University of Nebraska, the state
14 colleges, community colleges, educational service units, the Nebraska
15 Library Commission, the Office of the Chief Information Officer, Network
16 Nebraska, and other public and private entities in order to make
17 effective use of limited resources;

18 (12) To encourage sharing among school districts to deliver cost-
19 efficient and effective digital distance learning; and

20 (13) To identify, evaluate, and disseminate information on school
21 projects which have the potential to enhance the quality of instruction
22 or learning.

23 Sec. 53. Section 79-2202, Reissue Revised Statutes of Nebraska, is
24 amended to read:

25 79-2202 For purposes of the Interstate Compact on Educational
26 Opportunity for Military Children and sections 79-2202 to 79-2205
27 ~~79-2206~~:

28 (1) Council means the State Council on Educational Opportunity for
29 Military Children;

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

31 (3) Local education agency means a school district as defined in

1 section 79-101; and

2 (4) State superintendent of education means the Commissioner of
3 Education.

4 Sec. 54. Section 83-121, Reissue Revised Statutes of Nebraska, is
5 amended to read:

6 83-121 There is hereby created the School District Reimbursement
7 Fund for use by the Department of Health and Human Services. The fund
8 shall consist of money received from school districts or the department
9 ~~pursuant to section 79-1152~~ for the operation of special education
10 programs within the department. The fund shall be used for the operation
11 of such programs pursuant to sections ~~79-1152, 79-1153, and 79-1155~~ to
12 79-1158.

13 Any money in the fund available for investment shall be invested by
14 the state investment officer pursuant to the Nebraska Capital Expansion
15 Act and the Nebraska State Funds Investment Act.

16 Sec. 55. Section 83-1225, Reissue Revised Statutes of Nebraska, is
17 amended to read:

18 83-1225 Each school district shall provide transition services for
19 each student with a developmental disability no later than when the
20 student reaches sixteen years of age and until the student graduates from
21 a special education program or is no longer meets the definition of a
22 child with a disability pursuant to section 79-1117 eligible to receive
23 services pursuant to section 79-1126. Transition services shall consist
24 of a coordinated set of activities for a student, designed within an
25 outcome-oriented process, which promotes movement from school to
26 postschool activities, including postsecondary education, vocational
27 training, integrated employment, continuing and adult education, adult
28 services, independent living, and community participation. The
29 coordinated set of activities shall be based upon the individual
30 student's needs, taking into account the student's preferences and
31 interests, and shall include instruction, community experiences, the

1 development of employment and other postschool adult living objectives,
2 and, when appropriate, acquisition of daily living skills and functional
3 vocational evaluation. The transition team shall designate one or more
4 specialized service providers to develop a plan for the student's
5 transition to adult specialized services.

6 Sec. 56. Original sections 79-515, 79-807, 79-1110, 79-1113,
7 79-1115, 79-1115.01, 79-1117, 79-1119, 79-1119.01, 79-1122, 79-1124,
8 79-1125.01, 79-1126, 79-1127, 79-1128, 79-1129, 79-1130, 79-1132,
9 79-1135, 79-1136, 79-1138, 79-1139, 79-1142, 79-1145, 79-1147, 79-1148,
10 79-1149, 79-1154, 79-1155, 79-1156, 79-1157, 79-1158, 79-1159,
11 79-1159.01, 79-1160, 79-1161, 79-1162, 79-1163, 79-1164, 79-1167,
12 79-1302, 79-1304, 79-2202, 83-121, and 83-1225, Reissue Revised Statutes
13 of Nebraska, and sections 79-318, 79-1003, 79-1005.01, 79-1007.07,
14 79-1007.09, 79-1008.01, 79-1017.01, 79-1022, and 79-1144, Revised
15 Statutes Cumulative Supplement, 2018, are repealed.

16 Sec. 57. The following sections are outright repealed: Sections
17 79-527, 79-1007.04, 79-1007.17, 79-1007.23, 79-1007.25, 79-1028.03,
18 79-1152, 79-1153, 79-1188, and 79-2206, Reissue Revised Statutes of
19 Nebraska, and section 79-1008.02, Revised Statutes Cumulative Supplement,
20 2018.