

LEGISLATURE OF NEBRASKA
ONE HUNDRED SEVENTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 1034

Introduced by Pahls, 31.

Read first time January 13, 2022

Committee: Education

1 A BILL FOR AN ACT relating to schools; to amend section 79-1242, Reissue
2 Revised Statutes of Nebraska, section 79-1204, Revised Statutes
3 Cumulative Supplement, 2020, and sections 79-760.06 and 79-1241.03,
4 Revised Statutes Supplement, 2021; to provide for the designation of
5 needs improvement schools; to provide duties and intent; to change
6 provisions regarding core services, core services and technology
7 infrastructure funds, and educational service unit funds generated
8 from the property tax levy; to harmonize provisions; to repeal the
9 original sections; and to declare an emergency.
10 Be it enacted by the people of the State of Nebraska,

1 Section 1. (1) For each school classified as a progress school
2 pursuant to subsection (4) of section 79-760.06, the educational service
3 unit containing such school shall appoint an intervention team of up to
4 five individuals employed by such educational service unit. The
5 intervention team shall assist the school district with diagnosing issues
6 that negatively affect student achievement in the school, designing and
7 implementing strategies to address such issues, and developing measurable
8 indicators of progress.

9 (2) The intervention team, in collaboration with the staff,
10 administration, and school board for the progress school, shall also
11 develop a progress plan for the progress school to be submitted for
12 approval by the State Board of Education. Each progress plan shall
13 include specific actions required by the school and the school district,
14 including any required level of progress as indicated by the measurable
15 indicators.

16 (3) Compliance with progress plans shall be a requirement to
17 maintain accreditation for any school district that contains a progress
18 school. The state board shall annually review any progress plans and
19 determine whether any modifications are needed.

20 (4) The school board of a school district containing a progress
21 school shall provide the intervention team with full access to the
22 progress school, progress school staff, the school district, school
23 district staff, academic information, financial information, and any
24 other requested information.

25 (5) On or before December 1 of 2023, 2024, and 2025, for the school
26 year ending during such calendar year, the Commissioner of Education
27 shall submit a report to the Governor and electronically to the Clerk of
28 the Legislature and the chairperson of the Education Committee of the
29 Legislature. The report shall include the name of each progress school,
30 the grades included in the progress school designation, the name of the
31 school district, a summary of the progress plan, and the level of

1 progress as indicated by the measurable indicators. The report for the
2 2023-24 school year shall also contain recommendations regarding the
3 continuation of or changes to the process of designating progress schools
4 and the requirements under this section.

5 (6) The Education Committee of the Legislature shall study the
6 reports submitted pursuant to subsection (5) of this section and any
7 other relevant information and shall determine whether to introduce
8 legislation to continue or change the process of designating progress
9 schools or the requirements under this section.

10 (7) The State Department of Education shall hire two qualified
11 individuals to serve as progress coordinators. Each progress coordinator
12 shall oversee the progress plans for five progress schools, evaluate and
13 coordinate existing resources to increase achievement in the progress
14 schools, and consult with the progress schools, school districts, and
15 educational service units on the development, implementation, and
16 evaluation of progress plans for such progress school. Each progress
17 coordinator shall also provide data and reports regarding the progress
18 schools as requested by the Commissioner of Education to carry out this
19 section.

20 (8) It is the intent of the Legislature that two hundred seventy-two
21 thousand eight hundred thirty dollars from the funds allocated to the
22 State of Nebraska from the federal Coronavirus State Fiscal Recovery Fund
23 pursuant to the federal American Rescue Plan Act of 2021, Public Law
24 117-2, be appropriated to the State Department of Education for the
25 salary, benefits, and expenses of any progress coordinators hired
26 pursuant to subsection (7) of this section.

27 (9) The State Board of Education shall adopt and promulgate rules
28 and regulations to carry out this section.

29 Sec. 2. Section 79-760.06, Revised Statutes Supplement, 2021, is
30 amended to read:

31 79-760.06 (1) The State Board of Education shall establish an

1 accountability system to be used to measure the performance of individual
2 public schools and school districts. The accountability system shall
3 combine multiple indicators, including, but not limited to, graduation
4 rates, student growth and student improvement on the assessment
5 instruments provided in section 79-760.03, student discipline, and other
6 indicators of the performance of public schools and school districts as
7 established by the state board.

8 (2) The indicators selected by the state board for the
9 accountability system shall be combined annually into a school
10 performance score and district performance score. The state board shall
11 establish levels of performance based upon school performance scores and
12 district performance scores in order to annually classify and report the
13 performance of public schools and school districts beginning with the
14 reporting of data from school year 2014-15. The department shall classify
15 and report the performance of public schools and school districts
16 annually on or before December 31 of each calendar year.

17 (3) The state board shall designate priority schools based on such
18 classification. Schools designated as priority schools shall be at the
19 lowest performance level at the time of the initial priority school
20 designation. Schools designated as priority schools shall remain priority
21 schools until such designation is removed by the state board. No less
22 than three schools may have a priority school designation at one time.
23 Schools designated as priority schools shall be subject to the
24 requirements of section 79-760.07.

25 (4) The state board shall designate the ten lowest performing
26 schools in the most recent classification and report pursuant to
27 subsection (2) of this section as of the effective date of this act,
28 excluding any school designated as a priority school pursuant to
29 subsection (3) of this section, as progress schools through school year
30 2024-25. Each progress school shall be subject to the requirements of
31 section 1 of this act.

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

4 Sec. 3. Section 79-1204, Revised Statutes Cumulative Supplement,
5 2020, is amended to read:

6 79-1204 (1) The role and mission of the educational service units is
7 to serve as educational service providers in the state's system of
8 elementary and secondary education.

9 (2) Educational service units shall:

10 (a) Act primarily as service agencies in providing core services and
11 services identified and requested by member school districts;

12 (b) Provide for economy, efficiency, and cost-effectiveness in the
13 cooperative delivery of educational services;

14 (c) Provide educational services through leadership, research, and
15 development in elementary and secondary education;

16 (d) Act in a cooperative and supportive role with the State
17 Department of Education and school districts in development and
18 implementation of long-range plans, strategies, and goals for the
19 enhancement of educational opportunities in elementary and secondary
20 education; and

21 (e) Serve, when appropriate and as funds become available, as a
22 repository, clearinghouse, and administrator of federal, state, and
23 private funds on behalf of school districts which choose to participate
24 in special programs, projects, or grants in order to enhance the quality
25 of education in Nebraska schools.

26 (3) Except as provided in this subsection for progress schools, core
27 ~~Core~~ services shall be provided by educational service units to all
28 member school districts. Core services shall be defined by each
29 educational service unit as follows:

30 (a) Core services shall be within the following service areas in
31 order of priority: (i) Assistance to progress schools as provided in

1 section 1 of this act; (ii) staff Staff development which shall include
2 access to staff development related to improving the achievement of
3 students in poverty and students with diverse backgrounds; ~~(iii) (ii)~~
4 technology, including distance education services; and ~~(iv) (iii)~~
5 instructional materials services;

6 (b) Core services shall improve teaching and student learning by
7 focusing on enhancing school improvement efforts, meeting statewide
8 requirements, and achieving statewide goals in the state's system of
9 elementary and secondary education;

10 (c) Except as provided in this subsection for progress schools, core
11 ~~Core~~ services shall provide schools with access to services that:

12 (i) The educational service unit and its member school districts
13 have identified as necessary services;

14 (ii) Are difficult, if not impossible, for most individual school
15 districts to effectively and efficiently provide with their own personnel
16 and financial resources;

17 (iii) Can be efficiently provided by each educational service unit
18 to its member school districts; and

19 (iv) Can be adequately funded to ensure that the service is provided
20 equitably to the state's public school districts;

21 (d) Core services shall be designed so that the effectiveness and
22 efficiency of the service can be evaluated on a statewide basis; and

23 (e) Core services shall be provided by the educational service unit
24 in a manner that minimizes the costs of administration or service
25 delivery to member school districts.

26 (4) Educational service units shall meet minimum accreditation
27 standards set by the State Board of Education that will:

28 (a) Provide for accountability to taxpayers;

29 (b) Assure that educational service units are assisting and
30 cooperating with school districts to provide for equitable and adequate
31 educational opportunities statewide; and

1 (c) Assure a level of quality in educational programs and services
2 provided to school districts by the educational service units.

3 (5) Educational service units may contract to provide services to:

4 (a) Nonmember public school districts;

5 (b) Nonpublic school systems;

6 (c) Other educational service units; and

7 (d) Other public agencies, under the Interlocal Cooperation Act and
8 the Joint Public Agency Act.

9 (6) Educational service units shall not regulate school districts
10 unless specifically provided pursuant to another section of law.

11 (7) The board of any educational service unit in this state may pay
12 from its funds an amount to be determined by the board for membership
13 dues in associations of school boards or boards of education.

14 Sec. 4. Section 79-1241.03, Revised Statutes Supplement, 2021, is
15 amended to read:

16 79-1241.03 (1) Two percent of the appropriation for core services
17 and technology infrastructure funds shall be transferred to the
18 Educational Service Unit Coordinating Council. The remainder of such
19 funds shall be distributed pursuant to subsections (2) through (5) of
20 this section.

21 (2)(a) The distance education and telecommunications allowance for
22 each educational service unit shall equal eighty-five percent of the
23 difference of the costs for telecommunications services, for access to
24 data transmission networks that transmit data to and from the educational
25 service unit, and for the transmission of data on such networks paid by
26 the educational service unit as reported on the annual financial report
27 for the most recently available complete data year minus the receipts
28 from the federal Universal Service Fund pursuant to 47 U.S.C. 254, as
29 such section existed on January 1, 2021, for the educational service unit
30 as reported on the annual financial report for the most recently
31 available complete data year and minus any receipts from school districts

1 or other educational entities for payment of such costs as reported on
2 the annual financial report of the educational service unit.

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

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

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

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

1 school districts pursuant to the act for the school fiscal year for which
2 the distribution is being calculated pursuant to this section.

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

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

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

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

1 pursuant to this section, multiplied by the sparsity adjustment for the
2 educational service unit. The adjusted students for each learning
3 community shall equal ten percent of the fall membership for such school
4 fiscal year of the member school districts multiplied by the sparsity
5 adjustment for the learning community.

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

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

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

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

23 (3) If an educational service unit is the result of a merger or
24 received new member school districts from another educational service
25 unit, the educational service unit shall be considered a new educational
26 service unit for purposes of this section. For each new educational
27 service unit, the needs minus the distance education and
28 telecommunications allowance for such new educational service unit shall,
29 for each of the three fiscal years following the fiscal year in which the
30 merger takes place or the new member school districts are received, equal
31 an amount not less than the needs minus the distance education and

1 telecommunications allowance for the portions of the educational service
2 units transferred to the new educational service unit for the fiscal year
3 immediately preceding the merger or receipt of new member school
4 districts, except that if the total amount available to be distributed
5 pursuant to subsections (2) through (5) of this section for the year for
6 which needs are being calculated is less than the total amount
7 distributed pursuant to such subsections for the fiscal year immediately
8 preceding the merger or receipt of new member school districts, the
9 minimum needs minus the distance education and telecommunications
10 allowance for each educational service unit pursuant to this subsection
11 shall be reduced by a percentage equal to the ratio of such difference
12 divided by the total amount distributed pursuant to subsections (2)
13 through (5) of this section for the fiscal year immediately preceding the
14 merger or receipt of new member school districts. The needs minus the
15 distance education and telecommunications allowance for the portions of
16 educational service units transferred to the new educational service unit
17 for the fiscal year immediately preceding a merger or receipt of new
18 member school districts shall equal the needs minus the distance
19 education and telecommunications allowance calculated for such fiscal
20 year pursuant to subsections (2) through (5) of this section for any
21 educational service unit affected by the merger or the transfer of school
22 districts multiplied by a ratio equal to the valuation that was
23 transferred to the new educational service unit for which the minimum is
24 being calculated divided by the total valuation of the educational
25 service unit transferring the territory.

26 (4) If the minimum needs minus the distance education and
27 telecommunications allowance pursuant to subsection (3) of this section
28 for any educational service unit exceeds the amount that would otherwise
29 be calculated for such educational service unit pursuant to subsection
30 (2) of this section, the statewide student allocation shall be reduced
31 such that the total amount to be distributed pursuant to this section

1 equals the appropriation for core services and technology infrastructure
2 funds and no educational service unit has needs minus the distance
3 education and telecommunications allowance less than the greater of any
4 minimum amounts calculated for such educational service unit pursuant to
5 subsection (3) of this section.

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

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

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

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

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

13 Sec. 5. Section 79-1242, Reissue Revised Statutes of Nebraska, is
14 amended to read:

15 79-1242 Excluding funds used to provide assistance to progress
16 schools as provided in section 1 of this act, funds Funds generated from
17 the property tax levy shall only be used for purposes approved by
18 representatives of two-thirds of the member school districts in an
19 educational service unit, representing a majority of the students in the
20 member school districts. The valuation of individual school districts
21 shall not be the only consideration in determining the utilization of
22 such funds received after July 1, 2010. Each educational service unit
23 shall prepare and transmit a written proposal of core services offerings
24 and use of the property tax levy to all member school districts. The
25 member school districts through their designated representatives shall
26 indicate their approval or disapproval of the proposal within thirty
27 calendar days after receipt of the proposal, and failure to so indicate
28 within such time period shall be deemed approval of the proposal.

29 Sec. 6. Original section 79-1242, Reissue Revised Statutes of
30 Nebraska, section 79-1204, Revised Statutes Cumulative Supplement, 2020,
31 and sections 79-760.06 and 79-1241.03, Revised Statutes Supplement, 2021,

1 are repealed.

2 Sec. 7. Since an emergency exists, this act takes effect when
3 passed and approved according to law.