

LEGISLATURE OF NEBRASKA
ONE HUNDRED SEVENTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 528

Introduced by Walz, 15.

Read first time January 19, 2021

Committee: Education

1 A BILL FOR AN ACT relating to law; to amend sections 38-316, 38-10,109,
2 38-2613, 38-2616, 38-3106, 72-232, 72-233, 72-234, 72-235,
3 76-2203.01, 77-2704.12, 79-202, 79-422, 79-433, 79-449, 79-8,133,
4 79-10,119, 79-1605, 79-2118, and 85-1609, Reissue Revised Statutes
5 of Nebraska, and sections 1-116, 38-1813, 58-809, 77-1601.02,
6 77-27,119, 79-308, 79-611, 79-8,137.01, 79-1003, 79-1007.11,
7 79-1065.02, 79-1074, 79-1075, 79-1241.03, 79-2104.02, 79-2603,
8 79-2605, 79-2606, 85-505, 85-507, 85-1802, 85-2002, 85-2003,
9 85-2004, 85-2005, 85-2007, 85-2008, 85-2009, 85-2010, 85-2104,
10 85-2802, and 85-2803, Revised Statutes Cumulative Supplement, 2020;
11 to update academic accreditation terminology in state law; to change
12 provisions relating to school lands; to change tax levy notice
13 provisions; to eliminate certain obsolete school and school district
14 provisions and terminology; to eliminate a form requirement; to
15 eliminate provisions relating to an expired grant program; to
16 eliminate obsolete bonded indebtedness requirements; to redefine
17 terms and eliminate obsolete provisions under the Tax Equity and
18 Educational Opportunities Support Act; to change state aid
19 provisions for school districts and educational service units
20 relating to boundary line changes and the timing of payments as
21 prescribed; to eliminate certain county clerk and county board
22 duties; to change certain learning community coordinating council
23 reporting dates; to change certain diversity plan requirements; to

1 change requirements under the Nebraska Reading Improvement Act as
2 prescribed; to redefine a term relating to the Nebraska educational
3 savings plan trust; to define and redefine terms and change
4 provisions under the Community College Gap Assistance Program Act;
5 to authorize verification of eligibility by the Commissioner of
6 Education under the Access College Early Scholarship Program Act; to
7 define a term, eliminate a term, and change provisions under the
8 Meadowlark Act; to require hotline telephone numbers on student
9 identification cards for middle school, high school, and
10 postsecondary students as prescribed; to repeal a requirement
11 relating to the residency of school land leasees; to repeal a
12 requirement for the provision of student debt information to
13 students; to harmonize provisions; to repeal the original sections;
14 and to outright repeal section 72-234.01, Reissue Revised Statutes
15 of Nebraska, and section 85-9,140, Revised Statutes Cumulative
16 Supplement, 2020.

17 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 1-116, Revised Statutes Cumulative Supplement,
2 2020, is amended to read:

3 1-116 Any person making initial application to take the examination
4 described in section 1-114 shall be eligible to take the examination if
5 he or she has completed at least one hundred fifty semester hours or two
6 hundred twenty-five quarter hours of postsecondary academic credit and
7 has earned a baccalaureate or higher degree from a college or university
8 accredited by an ~~a regional~~ accrediting agency recognized by the United
9 States Department of Education or a similar agency as determined to be
10 acceptable by the board. The person shall demonstrate that accounting,
11 auditing, business, and other subjects at the appropriate academic level
12 as required by the board are included within the required hours of
13 postsecondary academic credit. A person who expects to complete the
14 postsecondary academic credit and earn the degree as required by this
15 section may take test sections of the examination within one hundred
16 twenty days prior to completing the postsecondary academic credit and
17 earning the degree, but such person shall not receive any credit for such
18 test sections unless evidence satisfactory to the board showing that such
19 person has completed the postsecondary academic credit and earned the
20 degree as required by this section is received by the board within one
21 hundred fifty days following when the first test section of the
22 examination is taken. The board shall not prescribe the specific
23 curricula of colleges or universities. If the applicant is an individual,
24 the application shall include the applicant's social security number.

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

27 38-316 (1) To be licensed to practice as an alcohol and drug
28 counselor, an applicant shall meet the requirements for licensure as a
29 provisional alcohol and drug counselor under section 38-314, shall
30 receive a passing score on an examination approved by the board, and
31 shall have six thousand hours of supervised clinical work experience

1 providing alcohol and drug counseling services to alcohol and other drug
2 clients for remuneration. The experience shall be polydrug counseling
3 experience.

4 (2) The experience shall include carrying a client caseload as the
5 primary alcohol and drug counselor performing the core functions of
6 assessment, treatment planning, counseling, case management, referral,
7 reports and record keeping, and consultation with other professionals for
8 those clients. The experience shall also include responsibility for
9 performance of the five remaining core functions although these core
10 functions need not be performed by the applicant with each client in
11 their caseload.

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

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

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

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

25 (5)(a) A postsecondary educational degree may be substituted for
26 part of the supervised clinical work experience. The degree shall be from
27 ~~an a regionally~~ accredited postsecondary educational institution or the
28 educational program ~~shall be accredited by a nationally recognized~~
29 ~~accreditation agency.~~

30 (b) An associate's degree in addictions or chemical dependency may
31 be substituted for one thousand hours of supervised clinical work

1 experience.

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

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

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

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

11 38-10,109 (1) The procedure for renewing a school license shall be
12 in accordance with section 38-143, except that in addition to all other
13 requirements, the school of cosmetology or school of esthetics shall
14 provide evidence of minimal property damage, bodily injury, and liability
15 insurance coverage and shall receive a satisfactory rating on an
16 accreditation inspection conducted by the department within the six
17 months immediately prior to the date of license renewal.

18 (2) Any school of cosmetology or school of esthetics which has
19 current accreditation from an ~~a national~~ accrediting organization
20 approved by the board shall be considered to satisfy the accreditation
21 requirements outlined in this section, except that successful completion
22 of an operation inspection shall be required. Each school of cosmetology
23 or school of esthetics, whether or not it is ~~nationally~~ accredited, shall
24 satisfy all curriculum and sanitation requirements outlined in the
25 Cosmetology, Electrology, Esthetics, Nail Technology, and Body Art
26 Practice Act to maintain its license.

27 (3) Any school not able to meet the requirements for license renewal
28 shall have its license placed on inactive status until all deficiencies
29 have been corrected, and the school shall not operate in any manner
30 during the time its license is inactive. If the deficiencies are not
31 corrected within six months of the date of license renewal, the license

1 may be revoked unless the department approves an extension of the time
2 limit. The license of a school that has been revoked or expired for any
3 reason shall not be reinstated. An original application for licensure
4 shall be submitted and approved before such school may reopen.

5 Sec. 4. Section 38-1813, Revised Statutes Cumulative Supplement,
6 2020, is amended to read:

7 38-1813 (1) A person shall be qualified to be a licensed medical
8 nutrition therapist if such person furnishes evidence that he or she:

9 (a) Has met the requirements for and is a registered dietitian by
10 the American Dietetic Association or an equivalent entity recognized by
11 the board;

12 (b)(i) Has satisfactorily passed an examination approved by the
13 board;

14 (ii) Has received a baccalaureate degree from an accredited college
15 or university with a major course of study in human nutrition, food and
16 nutrition, dietetics, or an equivalent major course of study approved by
17 the board; and

18 (iii) Has satisfactorily completed a program of supervised clinical
19 experience approved by the department. Such clinical experience shall
20 consist of not less than nine hundred hours of a planned continuous
21 experience in human nutrition, food and nutrition, or dietetics under the
22 supervision of an individual meeting the qualifications of this section;
23 or

24 (c)(i) Has satisfactorily passed an examination approved by the
25 board; and

26 (ii)(A) Has received a master's or doctorate degree from an
27 accredited college or university in human nutrition, nutrition education,
28 food and nutrition, or public health nutrition or in an equivalent major
29 course of study approved by the board; or

30 (B) Has received a master's or doctorate degree from an accredited
31 college or university which includes a major course of study in clinical

1 nutrition. Such course of study shall consist of not less than a combined
2 two hundred hours of biochemistry and physiology and not less than
3 seventy-five hours in human nutrition.

4 (2) For purposes of this section, accredited college or university
5 means an institution currently listed with the United States Secretary of
6 Education as accredited. Applicants who have obtained their education
7 outside of the United States and its territories shall have their
8 academic degrees validated as equivalent to a baccalaureate or master's
9 degree conferred by a United States ~~regionally~~ accredited college or
10 university.

11 (3)(a) The practice of medical nutrition therapy shall be performed
12 under the consultation of a physician licensed pursuant to section
13 38-2026 or sections 38-2029 to 38-2033.

14 (b) A licensed medical nutrition therapist may order patient diets,
15 including therapeutic diets, in accordance with this subsection.

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

18 38-2613 (1) An optometrist licensed in this state may use topical
19 ocular pharmaceutical agents for diagnostic purposes authorized under
20 subdivision (1)(b) of section 38-2605, if such person is certified by the
21 department, with the recommendation of the board, as qualified to use
22 topical ocular pharmaceutical agents for diagnostic purposes.

23 (2) Such certification shall require (a) satisfactory completion of
24 a pharmacology course at an institution accredited by an ~~a regional or~~
25 ~~professional~~ accrediting organization which is recognized by the United
26 States Department of Education and approved by the board and passage of
27 an examination approved by the board or (b) evidence provided by the
28 optometrist of certification in another state for use of diagnostic
29 pharmaceutical agents which is deemed by the board as satisfactory
30 validation of such qualifications.

31 Sec. 6. Section 38-2616, Reissue Revised Statutes of Nebraska, is

1 amended to read:

2 38-2616 No school of optometry shall be approved by the board as an
3 accredited school unless the school is accredited by an ~~a regional or~~
4 ~~professional~~ accrediting organization which is recognized by the United
5 States Department of Education.

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

8 38-3106 Institution of higher education means a university,
9 professional school, or other institution of higher learning that:

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

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

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

17 Sec. 8. Section 58-809, Revised Statutes Cumulative Supplement,
18 2020, is amended to read:

19 58-809 Private institution of higher education means a not-for-
20 profit educational institution located within this state which is not
21 owned or controlled by the state or any political subdivision, agency,
22 instrumentality, district, or municipality thereof, which is authorized
23 by law to provide a program of education beyond the high school level,
24 and which:

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

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

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

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

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

16 Sec. 9. Section 72-232, Reissue Revised Statutes of Nebraska, is
17 amended to read:

18 72-232 The Board of Educational Lands and Funds shall have authority
19 to adopt such rules and regulations as it shall deem necessary in the
20 leasing of school lands and to prescribe such terms and conditions of the
21 lease, not inconsistent with sections 72-205, 72-232 to 72-235, 72-240.02
22 to 72-240.05, and 72-242, as it shall deem necessary to protect the
23 interests of the state. The board shall adopt and enforce a soil
24 conservation program. Failure of the lessee to utilize the land for the
25 purpose for which the land was leased or to observe and carry out soil
26 conservation requirements as provided in the rules and regulations of the
27 board shall be cause for cancellation of the lease. ~~No individual,~~
28 ~~partnership, limited liability company, or corporation shall be entitled~~
29 ~~to hold under lease a total of more than six hundred forty acres of state~~
30 ~~educational lands, whether acquired by direct lease or by assignment.~~
31 ~~Such limitation shall not apply when the land to be leased is bounded~~

1 ~~entirely on one side thereof by lands owned or operated by such applicant~~
2 ~~or assignee.~~

3 Sec. 10. Section 72-233, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 72-233 Applications to lease any school lands shall be made to the
6 Board of Educational Lands and Funds. Each such application shall contain
7 an affidavit that the applicant desires to lease and operate such land
8 for the applicant's own use and benefit and that the applicant will not
9 sublease or otherwise dispose of the same without the written approval of
10 the board and will commit no waste or damage on the land nor permit
11 others to do so. The Board of Educational Lands and Funds may, at least
12 once in each year, designate a day and hour for offering, in a public
13 manner ~~at the office of the county treasurer~~ in the respective counties,
14 lease contracts on all the educational lands in each respective county
15 which may be subject to lease at the time of such offering. The offering
16 shall be announced in a public manner by publishing a notice thereof
17 three weeks preceding the auction in one or more of the legal newspapers
18 published or of general circulation in the county in which the unleased
19 land is located. If the board is unable to have a representative attend
20 the offering, the county treasurer may, upon the direction of the board,
21 act for it. Adjournments may be taken from day to day until all of the
22 lands have been offered. No lease shall be sublet or assigned without the
23 written approval of the board.

24 Sec. 11. Section 72-234, Reissue Revised Statutes of Nebraska, is
25 amended to read:

26 72-234 The board shall, if the foregoing proceedings appear to be
27 regular, issue to the applicant a lease on the land. Each lease shall
28 contain a covenant or provision (1) that the Board of Educational Lands
29 and Funds may, whenever such board deems it to be for the best interest
30 of the state, adjust the rental of such lands; (2) that the lessee will
31 not sublease or otherwise dispose of such lands without the written

1 consent of the board and will commit no waste or damage on the land nor
2 permit others to do so; (3) that the lessee will observe and carry out
3 soil conservation requirements according to the rules and regulations of
4 the board; (4) that the lessee will pay for the use of such lands the
5 fair market rental as determined by the board; (5) that, upon a failure
6 to pay any rental for a period of sixty days ~~six months~~ from the time the
7 payment becomes due or upon failure to perform any of the covenants of
8 the lease, the lease may be forfeited and fully set aside, as provided
9 for in sections 72-235 to 72-239; (6) that the lessee will promptly pay
10 the rental semiannually in advance; (7) that in the event the lessee
11 shall fail to pay rental in advance by the due date, interest shall be
12 assessed at an annual interest rate of nine percent until such time as
13 the rent is paid; and (8) that the premises will be surrendered at the
14 expiration of the lease, unless renewed, or upon violation of any of the
15 terms of the lease. Leases shall be for periods of five to twelve years
16 less the period intervening between the date of the execution of the
17 lease and December 31 of the previous year. The board may offer a lease
18 for a period of less than five years if a lease failed to generate
19 interest at an auction and if the board agrees that reducing the minimum
20 lease term will attract a bid or bids for such a lease. When two or more
21 contiguous tracts are under separate lease with different expiration
22 dates, the board may, if it is deemed to be in the best interest of the
23 state, offer leases for less than twelve years on tracts having the
24 earlier lease expiration date, to coincide with the last expiring lease,
25 in order that all contiguous lands eventually may be offered under one
26 lease.

27 Sec. 12. Section 72-235, Reissue Revised Statutes of Nebraska, is
28 amended to read:

29 72-235 If any lessee of educational lands fails to perform any of
30 the covenants of the lease or is in default of semiannual rental due the
31 state for a period of sixty days ~~six months~~, the Board of Educational

1 Lands and Funds may forfeit the lease of such person. If the lessee is in
2 default in the payment of rental, the board may cause notice to be given
3 such delinquent lessee in accordance with section 72-236 that, if such
4 delinquency is not paid within thirty days from the date of service of
5 such notice by either registered or certified mail or the date of the
6 first publication of such notice, his or her lease will be declared
7 forfeited. If the amounts due are not paid within such time, the board
8 may declare the lease forfeited and the land described therein shall
9 revert to the state. Before a forfeiture of a lease shall be declared for
10 a failure to perform the covenants of the lease other than the payment of
11 rentals, the board shall give notice of such proposed forfeiture to such
12 lessee, or to his or her personal representative or next of kin if he or
13 she is dead, by either registered or certified mail, setting forth a time
14 such a lessee, or his or her personal representative or next of kin, may
15 show cause and have a hearing as to whether or not such lease shall be
16 forfeited. The order of forfeiture shall be entered upon the records of
17 the board. The board is required to serve such notice of delinquency and
18 proceed with the forfeiture, as stated in such notice, at least once in
19 each year. The provisions of this section and sections 72-236 to 72-239
20 shall apply to all lands heretofore or hereinafter leased as educational
21 lands of this state.

22 Sec. 13. Section 76-2203.01, Reissue Revised Statutes of Nebraska,
23 is amended to read:

24 76-2203.01 Accredited degree-awarding community college, college, or
25 university means an institution that is approved or accredited by an a
26 ~~regional or national~~ accreditation association or ~~an~~ agency recognized by
27 the United States Secretary of Education.

28 Sec. 14. Section 77-1601.02, Revised Statutes Cumulative Supplement,
29 2020, is amended to read:

30 77-1601.02 (1) If the annual assessment of property would result in
31 an increase in the total property taxes levied by a county, municipality,

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

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

1 after holding the public hearing required in subsection (3) of this
2 section and by passing a resolution or ordinance that complies with
3 subsection (4) of this section.

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

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

30 (a) The name of the political subdivision;

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

1 (c) The following statements:

2 (i) The total assessed value of property differs from last year's
3 total assessed value by percent;

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

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

10 (iv) Based on the proposed property tax request and changes in other
11 revenue, the total operating budget of (name of political subdivision) in
12 comparison to will exceed last year's budget will change by
13 percent; and

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

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

19 (6) Any levy which is not in compliance with this section and
20 section 77-1601 shall be construed as an unauthorized levy under section
21 77-1606.

22 Sec. 15. Section 77-2704.12, Reissue Revised Statutes of Nebraska,
23 is amended to read:

24 77-2704.12 (1) Sales and use taxes shall not be imposed on the gross
25 receipts from the sale, lease, or rental of and the storage, use, or
26 other consumption in this state of purchases by (a) any nonprofit
27 organization created exclusively for religious purposes, (b) any
28 nonprofit organization providing services exclusively to the blind, (c)
29 any nonprofit private educational institution established under sections
30 79-1601 to 79-1607, (d) any ~~regionally or nationally~~ accredited,
31 nonprofit, privately controlled college or university with its primary

1 campus physically located in Nebraska, (e) any nonprofit (i) hospital,
2 (ii) health clinic when one or more hospitals or the parent corporations
3 of the hospitals own or control the health clinic for the purpose of
4 reducing the cost of health services or when the health clinic receives
5 federal funds through the United States Public Health Service for the
6 purpose of serving populations that are medically underserved, (iii)
7 skilled nursing facility, (iv) intermediate care facility, (v) assisted-
8 living facility, (vi) intermediate care facility for persons with
9 developmental disabilities, (vii) nursing facility, (viii) home health
10 agency, (ix) hospice or hospice service, (x) respite care service, (xi)
11 mental health substance use treatment center licensed under the Health
12 Care Facility Licensure Act, or (xii) center for independent living as
13 defined in 29 U.S.C. 796a, (f) any nonprofit licensed residential child-
14 caring agency, (g) any nonprofit licensed child-placing agency, or (h)
15 any nonprofit organization certified by the Department of Health and
16 Human Services to provide community-based services for persons with
17 developmental disabilities.

18 (2) Any organization listed in subsection (1) of this section shall
19 apply for an exemption on forms provided by the Tax Commissioner. The
20 application shall be approved and a numbered certificate of exemption
21 received by the applicant organization in order to be exempt from the
22 sales and use tax.

23 (3) The appointment of purchasing agents shall be recognized for the
24 purpose of altering the status of the construction contractor as the
25 ultimate consumer of building materials which are physically annexed to
26 the structure and which subsequently belong to the owner of the
27 organization or institution. The appointment of purchasing agents shall
28 be in writing and occur prior to having any building materials annexed to
29 real estate in the construction, improvement, or repair. The contractor
30 who has been appointed as a purchasing agent may apply for a refund of or
31 use as a credit against a future use tax liability the tax paid on

1 inventory items annexed to real estate in the construction, improvement,
2 or repair of a project for a licensed not-for-profit institution.

3 (4) Any organization listed in subsection (1) of this section which
4 enters into a contract of construction, improvement, or repair upon
5 property annexed to real estate without first issuing a purchasing agent
6 authorization to a contractor or repairperson prior to the building
7 materials being annexed to real estate in the project may apply to the
8 Tax Commissioner for a refund of any sales and use tax paid by the
9 contractor or repairperson on the building materials physically annexed
10 to real estate in the construction, improvement, or repair.

11 (5) Any person purchasing, storing, using, or otherwise consuming
12 building materials in the performance of any construction, improvement,
13 or repair by or for any institution enumerated in subsection (1) of this
14 section which is licensed upon completion although not licensed at the
15 time of construction or improvement, which building materials are annexed
16 to real estate and which subsequently belong to the owner of the
17 institution, shall pay any applicable sales or use tax thereon. Upon
18 becoming licensed and receiving a numbered certificate of exemption, the
19 institution organized not for profit shall be entitled to a refund of the
20 amount of taxes so paid in the performance of such construction,
21 improvement, or repair and shall submit whatever evidence is required by
22 the Tax Commissioner sufficient to establish the total sales and use tax
23 paid upon the building materials physically annexed to real estate in the
24 construction, improvement, or repair.

25 Sec. 16. Section 77-27,119, Revised Statutes Cumulative Supplement,
26 2020, is amended to read:

27 77-27,119 (1) The Tax Commissioner shall administer and enforce the
28 income tax imposed by sections 77-2714 to 77-27,135, and he or she is
29 authorized to conduct hearings, to adopt and promulgate such rules and
30 regulations, and to require such facts and information to be reported as
31 he or she may deem necessary to enforce the income tax provisions of such

1 sections, except that such rules, regulations, and reports shall not be
2 inconsistent with the laws of this state or the laws of the United
3 States. The Tax Commissioner may for enforcement and administrative
4 purposes divide the state into a reasonable number of districts in which
5 branch offices may be maintained.

6 (2)(a) The Tax Commissioner may prescribe the form and contents of
7 any return or other document required to be filed under the income tax
8 provisions. Such return or other document shall be compatible as to form
9 and content with the return or document required by the laws of the
10 United States. The form shall have a place where the taxpayer shall
11 designate the ~~high~~ school district in which he or she lives and the
12 county in which the ~~high~~ school district is headquartered. The Tax
13 Commissioner shall adopt and promulgate such rules and regulations as may
14 be necessary to insure compliance with this requirement.

15 (b) The State Department of Education, with the assistance and
16 cooperation of the Department of Revenue, shall develop a uniform system
17 for numbering all school districts in the state. Such system shall be
18 consistent with the data processing needs of the Department of Revenue
19 and shall be used for the school district identification required by
20 subdivision (a) of this subsection.

21 (c) The proper filing of an income tax return shall consist of the
22 submission of such form as prescribed by the Tax Commissioner or an exact
23 facsimile thereof with sufficient information provided by the taxpayer on
24 the face of the form from which to compute the actual tax liability. Each
25 taxpayer shall include such taxpayer's correct social security number or
26 state identification number and the school district identification number
27 of the school district in which the taxpayer resides on the face of the
28 form. A filing is deemed to occur when the required information is
29 provided.

30 (3) The Tax Commissioner, for the purpose of ascertaining the
31 correctness of any return or other document required to be filed under

1 the income tax provisions, for the purpose of determining corporate
2 income, individual income, and withholding tax due, or for the purpose of
3 making an estimate of taxable income of any person, shall have the power
4 to examine or to cause to have examined, by any agent or representative
5 designated by him or her for that purpose, any books, papers, records, or
6 memoranda bearing upon such matters and may by summons require the
7 attendance of the person responsible for rendering such return or other
8 document or remitting any tax, or any officer or employee of such person,
9 or the attendance of any other person having knowledge in the premises,
10 and may take testimony and require proof material for his or her
11 information, with power to administer oaths or affirmations to such
12 person or persons.

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

18 (5) No taxpayer shall be subjected to unreasonable or unnecessary
19 examinations or investigations.

20 (6) Except in accordance with proper judicial order or as otherwise
21 provided by law, it shall be unlawful for the Tax Commissioner, any
22 officer or employee of the Tax Commissioner, any person engaged or
23 retained by the Tax Commissioner on an independent contract basis, any
24 person who pursuant to this section is permitted to inspect any report or
25 return or to whom a copy, an abstract, or a portion of any report or
26 return is furnished, any employee of the State Treasurer or the
27 Department of Administrative Services, or any other person to divulge,
28 make known, or use in any manner the amount of income or any particulars
29 set forth or disclosed in any report or return required except for the
30 purpose of enforcing sections 77-2714 to 77-27,135. The officers charged
31 with the custody of such reports and returns shall not be required to

1 produce any of them or evidence of anything contained in them in any
2 action or proceeding in any court, except on behalf of the Tax
3 Commissioner in an action or proceeding under the provisions of the tax
4 law to which he or she is a party or on behalf of any party to any action
5 or proceeding under such sections when the reports or facts shown thereby
6 are directly involved in such action or proceeding, in either of which
7 events the court may require the production of, and may admit in
8 evidence, so much of such reports or of the facts shown thereby as are
9 pertinent to the action or proceeding and no more. Nothing in this
10 section shall be construed (a) to prohibit the delivery to a taxpayer,
11 his or her duly authorized representative, or his or her successors,
12 receivers, trustees, personal representatives, administrators, assignees,
13 or guarantors, if directly interested, of a certified copy of any return
14 or report in connection with his or her tax, (b) to prohibit the
15 publication of statistics so classified as to prevent the identification
16 of particular reports or returns and the items thereof, (c) to prohibit
17 the inspection by the Attorney General, other legal representatives of
18 the state, or a county attorney of the report or return of any taxpayer
19 who brings an action to review the tax based thereon, against whom an
20 action or proceeding for collection of tax has been instituted, or
21 against whom an action, proceeding, or prosecution for failure to comply
22 with the Nebraska Revenue Act of 1967 is being considered or has been
23 commenced, (d) to prohibit furnishing to the Nebraska Workers'
24 Compensation Court the names, addresses, and identification numbers of
25 employers, and such information shall be furnished on request of the
26 court, (e) to prohibit the disclosure of information and records to a
27 collection agency contracting with the Tax Commissioner pursuant to
28 sections 77-377.01 to 77-377.04, (f) to prohibit the disclosure of
29 information pursuant to section 77-27,195, 77-4110, 77-5731, 77-6521,
30 77-6837, or 77-6839, (g) to prohibit the disclosure to the Public
31 Employees Retirement Board of the addresses of individuals who are

1 members of the retirement systems administered by the board, and such
2 information shall be furnished to the board solely for purposes of its
3 administration of the retirement systems upon written request, which
4 request shall include the name and social security number of each
5 individual for whom an address is requested, (h) to prohibit the
6 disclosure of information to the Department of Labor necessary for the
7 administration of the Employment Security Law, the Contractor
8 Registration Act, or the Employee Classification Act, (i) to prohibit the
9 disclosure to the Department of Motor Vehicles of tax return information
10 pertaining to individuals, corporations, and businesses determined by the
11 Department of Motor Vehicles to be delinquent in the payment of amounts
12 due under agreements pursuant to the International Fuel Tax Agreement
13 Act, and such disclosure shall be strictly limited to information
14 necessary for the administration of the act, (j) to prohibit the
15 disclosure under section 42-358.08, 43-512.06, or 43-3327 to any court-
16 appointed individuals, the county attorney, any authorized attorney, or
17 the Department of Health and Human Services of an absent parent's
18 address, social security number, amount of income, health insurance
19 information, and employer's name and address for the exclusive purpose of
20 establishing and collecting child, spousal, or medical support, (k) to
21 prohibit the disclosure of information to the Department of Insurance,
22 the Nebraska State Historical Society, or the State Historic Preservation
23 Officer as necessary to carry out the Department of Revenue's
24 responsibilities under the Nebraska Job Creation and Mainstreet
25 Revitalization Act, or (l) to prohibit the disclosure to the Department
26 of Insurance of information pertaining to authorization for, and use of,
27 tax credits under the New Markets Job Growth Investment Act. Information
28 so obtained shall be used for no other purpose. Any person who violates
29 this subsection shall be guilty of a felony and shall upon conviction
30 thereof be fined not less than one hundred dollars nor more than five
31 hundred dollars, or be imprisoned not more than five years, or be both so

1 fined and imprisoned, in the discretion of the court and shall be
2 assessed the costs of prosecution. If the offender is an officer or
3 employee of the state, he or she shall be dismissed from office and be
4 ineligible to hold any public office in this state for a period of two
5 years thereafter.

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

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

23 (9) Notwithstanding the provisions of subsection (6) of this
24 section, the Tax Commissioner may permit the Postal Inspector of the
25 United States Postal Service or his or her delegates to inspect the
26 reports or returns of any person filed pursuant to the Nebraska Revenue
27 Act of 1967 when information on the reports or returns is relevant to any
28 action or proceeding instituted or being considered by the United States
29 Postal Service against such person for the fraudulent use of the mails to
30 carry and deliver false and fraudulent tax returns to the Tax
31 Commissioner with the intent to defraud the State of Nebraska or to evade

1 the payment of Nebraska state taxes.

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

20 (b) When selecting tax returns or tax return information for a
21 performance audit of a tax incentive program, the office of Legislative
22 Audit shall select the tax returns or tax return information for either
23 all or a statistically and randomly selected sample of taxpayers who have
24 applied for or who have qualified for benefits under the tax incentive
25 program that is the subject of the audit. When the office of Legislative
26 Audit reports on its review of tax returns and tax return information, it
27 shall comply with subdivision (10)(c) of this section.

28 (c) No officer or employee of the Auditor of Public Accounts or
29 office of Legislative Audit employee shall disclose to any person, other
30 than another officer or employee of the Auditor of Public Accounts or
31 office of Legislative Audit whose official duties require such

1 disclosure, any return or return information described in the Nebraska
2 Revenue Act of 1967 in a form which can be associated with or otherwise
3 identify, directly or indirectly, a particular taxpayer.

4 (d) Any person who violates the provisions of this subsection shall
5 be guilty of a Class IV felony and, in the discretion of the court, may
6 be assessed the costs of prosecution. The guilty officer or employee
7 shall be dismissed from employment and be ineligible to hold any position
8 of employment with the State of Nebraska for a period of two years
9 thereafter. For purposes of this subsection, officer or employee shall
10 include a former officer or employee of the Auditor of Public Accounts or
11 former employee of the office of Legislative Audit.

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

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

19 (b) Return information shall mean:

20 (i) A taxpayer's identification number and (A) the nature, source,
21 or amount of his or her income, payments, receipts, deductions,
22 exemptions, credits, assets, liabilities, net worth, tax liability, tax
23 withheld, deficiencies, overassessments, or tax payments, whether the
24 taxpayer's return was, is being, or will be examined or subject to other
25 investigation or processing or (B) any other data received by, recorded
26 by, prepared by, furnished to, or collected by the Tax Commissioner with
27 respect to a return or the determination of the existence or possible
28 existence of liability or the amount of liability of any person for any
29 tax, penalty, interest, fine, forfeiture, or other imposition or offense;
30 and

31 (ii) Any part of any written determination or any background file

1 document relating to such written determination; and

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

4 (12) The Auditor of Public Accounts shall (a) notify the Tax
5 Commissioner in writing thirty days prior to the beginning of an audit of
6 his or her intent to conduct an audit, (b) provide an audit plan, and (c)
7 provide a list of the tax returns and tax return information identified
8 for inspection during the audit. The office of Legislative Audit shall
9 notify the Tax Commissioner of the intent to conduct an audit and of the
10 scope of the audit as provided in section 50-1209.

11 (13) The Auditor of Public Accounts or the office of Legislative
12 Audit shall, as a condition for receiving tax returns and tax return
13 information: (a) Subject employees involved in the audit to the same
14 confidential information safeguards and disclosure procedures as required
15 of Department of Revenue employees; (b) establish and maintain a
16 permanent system of standardized records with respect to any request for
17 tax returns or tax return information, the reason for such request, and
18 the date of such request and any disclosure of the tax return or tax
19 return information; (c) establish and maintain a secure area or place in
20 the Department of Revenue in which the tax returns, tax return
21 information, or audit workpapers shall be stored; (d) restrict access to
22 the tax returns or tax return information only to persons whose duties or
23 responsibilities require access; (e) provide such other safeguards as the
24 Tax Commissioner determines to be necessary or appropriate to protect the
25 confidentiality of the tax returns or tax return information; (f) provide
26 a report to the Tax Commissioner which describes the procedures
27 established and utilized by the Auditor of Public Accounts or office of
28 Legislative Audit for insuring the confidentiality of tax returns, tax
29 return information, and audit workpapers; and (g) upon completion of use
30 of such returns or tax return information, return to the Tax Commissioner
31 such returns or tax return information, along with any copies.

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

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

14 Sec. 17. Section 79-202, Reissue Revised Statutes of Nebraska, is
15 amended to read:

16 79-202 (1) A person who has legal or actual charge or control of a
17 child who is at least sixteen years of age but less than eighteen years
18 of age may withdraw such child from school before graduation and be
19 exempt from the mandatory attendance requirements of section 79-201 if an
20 exit interview is conducted and the withdrawal form is signed as required
21 by subsections (2) through (5) of this section for a child enrolled in a
22 public, private, denominational, or parochial school or if a signed
23 ~~notarized~~ release form is filed with the Commissioner of Education as
24 required by subsection (6) of this section for a child enrolled in a
25 school that elects pursuant to section 79-1601 not to meet accreditation
26 or approval requirements.

27 (2) Upon the written request of any person who has legal or actual
28 charge or control of a child who is at least sixteen years of age but
29 less than eighteen years of age, the superintendent of a school district
30 or the superintendent's designee shall conduct an exit interview if the
31 child (a) is enrolled in a school operated by the school district or (b)

1 resides in the school district and is enrolled in a private,
2 denominational, or parochial school.

3 (3) The superintendent or the superintendent's designee shall set
4 the time and place for the exit interview which shall be personally
5 attended by: (a) The child, unless the withdrawal is being requested due
6 to an illness of the child making attendance at the exit interview
7 impossible or impracticable; (b) the person who has legal or actual
8 charge or control of the child who requested the exit interview; (c) the
9 superintendent or the superintendent's designee; (d) the child's
10 principal or the principal's designee if the child at the time of the
11 exit interview is enrolled in a school operated by the school district;
12 and (e) any other person requested by any of the required parties who
13 agrees to attend the exit interview and is available at the time
14 designated for the exit interview which may include, but need not be
15 limited to, other school district personnel or the child's principal or
16 such principal's designee if the child is enrolled in a private,
17 denominational, or parochial school.

18 (4) At the exit interview, the person making the written request
19 pursuant to subsection (2) of this section shall present evidence that
20 (a) the person has legal or actual charge or control of the child and (b)
21 the child would be withdrawing due to either (i) financial hardships
22 requiring the child to be employed to support the child's family or one
23 or more dependents of the child or (ii) an illness of the child making
24 attendance impossible or impracticable. The superintendent or
25 superintendent's designee shall identify all known alternative
26 educational opportunities, including vocational courses of study, that
27 are available to the child in the school district and how withdrawing
28 from school is likely to reduce potential future earnings for the child
29 and increase the likelihood of the child being unemployed in the future.
30 Any other relevant information may be presented and discussed by any of
31 the parties in attendance.

1 (5)(a) At the conclusion of the exit interview, the person making
2 the written request pursuant to subsection (2) of this section may sign
3 the withdrawal form provided by the school district agreeing to the
4 withdrawal of the child or may rescind the written request for the
5 withdrawal.

6 (b) Any withdrawal form signed by the person making the written
7 request pursuant to subsection (2) of this section shall be valid only if
8 (i) the child signs the form unless the withdrawal is being requested due
9 to an illness of the child making attendance at the exit interview
10 impossible or impracticable and (ii) the superintendent or
11 superintendent's designee signs the form acknowledging that the interview
12 was held, the required information was provided and discussed at the
13 interview, and, in the opinion of the superintendent or the
14 superintendent's designee, the person making the written request pursuant
15 to subsection (2) of this section does in fact have legal or actual
16 charge or control of the child and the child is experiencing either (A)
17 financial hardships requiring the child to be employed to support the
18 child's family or one or more dependents of the child or (B) an illness
19 making attendance impossible or impracticable.

20 (6) A person who has legal or actual charge or control of the child
21 who is at least sixteen years of age but less than eighteen years of age
22 may withdraw such a child before graduation and be exempt from the
23 mandatory attendance requirements of section 79-201 if such child has
24 been enrolled in a school that elects pursuant to section 79-1601 not to
25 meet the accreditation or approval requirements by filing with the State
26 Department of Education a signed ~~notarized~~ release on a form prescribed
27 by the Commissioner of Education.

28 (7) A child who has been withdrawn from school pursuant to this
29 section may enroll in a school district at a later date as provided in
30 section 79-215 or may enroll in a private, denominational, or parochial
31 school or a school which elects pursuant to section 79-1601 not to meet

1 accreditation or approval requirements. Any such enrollment shall void
2 the withdrawal form previously entered, and the provisions of sections
3 79-201 to 79-210 shall apply to the child.

4 (8) The ~~commissioner~~ Commissioner of Education shall prescribe the
5 required form for withdrawals pursuant to this section and determine and
6 direct either that (a) withdrawal forms of school districts for any child
7 who is withdrawn from school pursuant to this section and subdivision (3)
8 (c) of section 79-201 shall be provided annually to the ~~department~~ State
9 Department of Education or (b) data regarding such students shall be
10 collected under subsection (2) of section 79-528.

11 Sec. 18. Section 79-308, Revised Statutes Cumulative Supplement,
12 2020, is amended to read:

13 79-308 ~~(1)~~ The Commissioner of Education shall organize institutes
14 and conferences at such times and places as he or she deems practicable.
15 He or she shall, as far as practicable, attend such institutes and
16 conferences, provide proper instructors for the same, and in other ways
17 seek to improve the efficiency of teachers and advance the cause of
18 education in the state.

19 ~~(2) The Legislature finds that (a) an educator-effectiveness system~~
20 ~~includes a quality evaluation system with the primary goal of improving~~
21 ~~instruction and learning in every school district and (b) school~~
22 ~~districts have an opportunity to receive training on the quality~~
23 ~~evaluation models.~~

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

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

31 Sec. 19. Section 79-422, Reissue Revised Statutes of Nebraska, is

1 amended to read:

2 79-422 ~~(1)~~ Bonded indebtedness approved by legal voters prior to
3 any change in school district boundary lines pursuant to sections 79-413
4 to 79-421 shall remain the obligation of the school district voting such
5 bonds unless otherwise specified in the petitions. When a district is
6 dissolved by petitions and the area is attached to two or more districts,
7 the petitions shall specify the disposition of assets and unbonded
8 obligations of the original district.

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

13 Sec. 20. Section 79-433, Reissue Revised Statutes of Nebraska, is
14 amended to read:

15 79-433 For purposes of the Reorganization of School Districts Act,
16 unless the context otherwise requires:

17 (1) Reorganization of school districts means the formation of new
18 school districts, the alteration of boundaries of established school
19 districts that are not members of a learning community, ~~the affiliation~~
20 ~~of school districts,~~ and the dissolution or disorganization of
21 established school districts through or by means of any one or
22 combination of the methods set out in section 79-434; and

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

25 Sec. 21. Section 79-449, Reissue Revised Statutes of Nebraska, is
26 amended to read:

27 79-449 Whenever two or more school districts are involved in a
28 reorganization plan, the old districts shall continue to be responsible
29 for any indebtedness incurred before the reorganization takes place
30 unless a different arrangement is included in the plan voted upon by the
31 people. ~~Bonded indebtedness incurred for high school facilities prior to~~

1 ~~the adoption of any affiliation plan shall remain the obligation of the~~
2 ~~high school district unless otherwise specified in the petitions.~~

3 Sec. 22. Section 79-611, Revised Statutes Cumulative Supplement,
4 2020, is amended to read:

5 79-611 (1) The school board of any school district shall provide
6 free transportation, partially provide free transportation, or pay an
7 allowance for transportation in lieu of free transportation as follows:

8 (a) When a student attends an elementary school in his or her own
9 school district and lives more than four miles from ~~the public~~
10 ~~schoolhouse~~ in such elementary school district as measured by the
11 shortest route that must actually and necessarily be traveled by motor
12 vehicle to reach the student's residence;

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

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

26 (d) When a student, other than a student in grades ten through
27 twelve in a Class V school district, attends an elementary or junior high
28 school in his or her own Class V school district and lives more than four
29 miles from ~~the public schoolhouse~~ in such elementary or junior high
30 school ~~district~~ as measured by the shortest route that must actually and
31 necessarily be traveled by motor vehicle to reach the student's

1 residence.

2 (2)(a) For school years prior to school year 2017-18 and as required
3 pursuant to subsection (3) of section 79-241, the school board of any
4 school district that is a member of a learning community shall provide
5 free transportation for a student who resides in such learning community
6 and attends school in such school district if (i) the student is
7 transferring pursuant to the open enrollment provisions of section
8 79-2110, qualifies for free or reduced-price lunches, lives more than one
9 mile from the school to which he or she transfers, and is not otherwise
10 disqualified under subdivision (2)(c) of this section, (ii) the student
11 is transferring pursuant to the open enrollment provisions of section
12 79-2110, is a student who contributes to the socioeconomic diversity of
13 enrollment at the school building he or she attends, lives more than one
14 mile from the school to which he or she transfers, and is not otherwise
15 disqualified under subdivision (2)(c) of this section, (iii) the student
16 is attending a focus school or program and lives more than one mile from
17 the school building housing the focus school or program, or (iv) the
18 student is attending a magnet school or program and lives more than one
19 mile from the magnet school or the school housing the magnet program.

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

25 (c) For any student who resides within a learning community and
26 transfers to another school building pursuant to the open enrollment
27 provisions of section 79-2110 and who had not been accepted for open
28 enrollment into any school building within such school district prior to
29 September 6, 2013, the school board is exempt from the requirement of
30 subdivision (2)(a) of this section if (i) the student is transferring to
31 another school building within his or her home school district or (ii)

1 the student is transferring to a school building in a school district
2 that does not share a common border with his or her home school district.

3 (3) The transportation allowance which may be paid to the parent,
4 custodial parent, or guardian of students qualifying for free
5 transportation pursuant to subsection (1) or (2) of this section shall
6 equal two hundred eighty-five percent of the mileage rate provided in
7 section 81-1176, multiplied by each mile actually and necessarily
8 traveled, on each day of attendance, beyond which the one-way distance
9 from the residence of the student to the school ~~schoolhouse~~ exceeds three
10 miles. Such transportation allowance does not apply to students residing
11 in a learning community who qualify for free or reduced-price lunches.

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

15 (a) To the parent, custodial parent, or guardian providing
16 transportation for students from other families, one hundred percent of
17 the amount prescribed in subsection (3) of this section for the
18 transportation of students of such parent's, custodial parent's, or
19 guardian's own family and an additional five percent for students of each
20 other family not to exceed a maximum of one hundred twenty-five percent
21 of the amount determined pursuant to subsection (3) of this section; and

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

29 (5) When a student who qualifies under the mileage requirements of
30 subsection (1) of this section lives more than three miles from the
31 location where the student must be picked up and dropped off in order to

1 access school-provided free transportation, as measured by the shortest
2 route that must actually and necessarily be traveled by motor vehicle
3 between his or her residence and such location, such school-provided
4 transportation shall be deemed partially provided free transportation.
5 School districts partially providing free transportation shall pay an
6 allowance to the student's parent or guardian equal to two hundred
7 eighty-five percent of the mileage rate provided in section 81-1176
8 multiplied by each mile actually and necessarily traveled, on each day of
9 attendance, beyond which the one-way distance from the residence of the
10 student to the location where the student must be picked up and dropped
11 off exceeds three miles.

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

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

22 (8) No student shall be exempt from school attendance on account of
23 distance from the school ~~public schoolhouse~~.

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

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

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

29 (2) Eligible institution means a not-for-profit college or
30 university which (a) is located in Nebraska, (b) is accredited by an a
31 ~~regional~~ accrediting agency recognized by the United States Department of

1 Education as determined to be acceptable by the State Board of Education,
2 (c) has a teacher education program, and (d) if a privately funded
3 college or university, has not opted out of the program pursuant to rules
4 and regulations;

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

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

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

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

29 (7) Teacher education program means a program of study approved by
30 the State Board of Education pursuant to subdivision (5)(g) of section
31 79-318.

1 Sec. 24. Section 79-8,137.01, Revised Statutes Cumulative
2 Supplement, 2020, is amended to read:

3 79-8,137.01 The Enhancing Excellence in Teaching Program is created.

4 For purposes of the Enhancing Excellence in Teaching Program:

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

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

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

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

1 Excellence in Teaching Program to be received at a time other than during
2 fiscal year 2011-12 or 2012-13;

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

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

10 Sec. 25. Section 79-1003, Revised Statutes Cumulative Supplement,
11 2020, is amended to read:

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

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

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

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

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

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

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

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

30 (7) Categorical funds means funds limited to a specific purpose by
31 federal or state law, including, but not limited to, Title I funds, Title

1 VI funds, federal career and technical ~~vocational~~ education funds,
2 federal school lunch funds, Indian education funds, and Head Start funds,
3 ~~and funds from the Education Innovation Fund;~~

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

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

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

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

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

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

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

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

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

3 (17) Formula students means:

4 (a) For state aid certified pursuant to section 79-1022, the sum of
5 the product of fall membership from the school fiscal year immediately
6 preceding the school fiscal year in which the aid is to be paid
7 multiplied by the average ratio of average daily membership to fall
8 membership for the second school fiscal year immediately preceding the
9 school fiscal year in which the aid is to be paid and the prior two
10 school fiscal years plus sixty percent of the qualified early childhood
11 education fall membership plus tuitioned students from the school fiscal
12 year immediately preceding the school fiscal year in which aid is to be
13 paid minus the product of the number of students enrolled in kindergarten
14 that is not full-day kindergarten from the fall membership multiplied by
15 0.5; and

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

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

26 (a) for schools that did not provide free meals to all students pursuant
27 to the community eligibility provision, students who individually
28 qualified for free lunches or free milk pursuant to the federal Richard
29 B. Russell National School Lunch Act, 42 U.S.C. 1751 et seq., and the
30 federal Child Nutrition Act of 1966, 42 U.S.C. 1771 et seq., as such acts
31 and sections existed on January 1, 2021 ~~2015~~, and rules and regulations

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

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

23 (19) ~~(20)~~ Full-day kindergarten means kindergarten offered by a
24 district for at least one thousand thirty-two instructional hours;

25 (20) ~~(21)~~ General fund budget of expenditures means the total budget
26 of disbursements and transfers for general fund purposes as certified in
27 the budget statement adopted pursuant to the Nebraska Budget Act, except
28 that for purposes of the limitation imposed in section 79-1023, the
29 general fund budget of expenditures does not include any special grant
30 funds, exclusive of local matching funds, received by a district;

31 (21) ~~(22)~~ General fund expenditures means all expenditures from the

1 general fund;

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

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

23 For purposes of this subdivision (22) ~~(23)~~ of this section, receipts
24 from levy override elections shall equal ninety-nine percent of the
25 difference of the total general fund levy minus a levy of one dollar and
26 five cents per one hundred dollars of taxable valuation multiplied by the
27 assessed valuation for school districts that have voted pursuant to
28 section 77-3444 to override the maximum levy provided pursuant to section
29 77-3442;

30 (23) ~~(24)~~ Income tax liability means the amount of the reported
31 income tax liability for resident individuals pursuant to the Nebraska

1 Revenue Act of 1967 less all nonrefundable credits earned and refunds
2 made;

3 (24) ~~(25)~~ Income tax receipts means the amount of income tax
4 collected pursuant to the Nebraska Revenue Act of 1967 less all
5 nonrefundable credits earned and refunds made;

6 (25) ~~(26)~~ Limited English proficiency students means the number of
7 students with limited English proficiency in a district from the most
8 recent data available on November 1 of the school fiscal year preceding
9 the school fiscal year in which aid is to be paid plus the difference of
10 such students with limited English proficiency minus the average number
11 of limited English proficiency students for such district, prior to such
12 addition, for the three immediately preceding school fiscal years if such
13 difference is greater than zero;

14 (26) ~~(27)~~ Local system means a unified system or a school district;

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

1 existed on January 1, 2021 ~~2015~~, for a household of that size that would
2 have allowed the child to meet the income qualifications for free meals
3 during the school fiscal year immediately preceding the school fiscal
4 year for which aid is being calculated;

5 (28) ~~(29)~~ Low-income students means the number of low-income
6 children within the district multiplied by the ratio of the formula
7 students in the district divided by the total children under nineteen
8 years of age residing in the district as derived from income tax
9 information;

10 (29) ~~(30)~~ Most recently available complete data year means the most
11 recent single school fiscal year for which the annual financial report,
12 fall school district membership report, annual statistical summary,
13 Nebraska income tax liability by school district for the calendar year in
14 which the majority of the school fiscal year falls, and adjusted
15 valuation data are available;

16 (30) ~~(31)~~ Poverty students means ~~(a) for school fiscal years prior~~
17 ~~to 2016-17, the number of low-income students or the number of students~~
18 ~~who are free lunch and free milk students in a district plus the~~
19 ~~difference of the number of low-income students or the number of students~~
20 ~~who are free lunch and free milk students in a district, whichever is~~
21 ~~greater, minus the average number of poverty students for such district,~~
22 ~~prior to such addition, for the three immediately preceding school fiscal~~
23 ~~years if such difference is greater than zero and (b) for school fiscal~~
24 ~~year 2016-17 and each school fiscal year thereafter, the unadjusted~~
25 ~~poverty students plus the difference of such unadjusted poverty students~~
26 ~~minus the average number of poverty students for such district, prior to~~
27 ~~such addition, for the three immediately preceding school fiscal years if~~
28 ~~such difference is greater than zero;~~

29 (31) ~~(32)~~ Qualified early childhood education average daily
30 membership means the product of the average daily membership ~~for school~~
31 ~~fiscal year 2006-07 and each school fiscal year thereafter~~ of students

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

12 (32) ~~(33)~~ Qualified early childhood education fall membership means
13 the product of membership on October 1 of each school year of students
14 who will be eligible to attend kindergarten the following school year and
15 are enrolled in an early childhood education program approved by the
16 department pursuant to section 79-1103 for such school district for such
17 school year multiplied by the ratio of the planned instructional hours of
18 the program divided by one thousand thirty-two if: (a) The program is
19 receiving a grant pursuant to such section for the third year; (b) the
20 program has already received grants pursuant to such section for three
21 years; or (c) the program has been approved pursuant to subsection (5) of
22 section 79-1103 for such school year and the two preceding school years,
23 including any such students in portions of any of such programs receiving
24 an expansion grant;

25 (33) ~~(34)~~ Regular route transportation means the transportation of
26 students on regularly scheduled daily routes to and from the schools such
27 students attend attendance center;

28 (34) ~~(35)~~ Reorganized district means any district involved in a
29 consolidation and currently educating students following consolidation;

30 (35) ~~(36)~~ School year or school fiscal year means the fiscal year of
31 a school district as defined in section 79-1091;

1 ~~(36)~~ ~~(37)~~ Sparse local system means a local system that is not a
2 very sparse local system but which meets the following criteria:

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

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

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

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

19 ~~(37)~~ ~~(38)~~ Special education means specially designed kindergarten
20 through grade twelve instruction pursuant to section 79-1125, and
21 includes special education transportation;

22 ~~(38)~~ ~~(39)~~ Special grant funds means the budgeted receipts for
23 grants, including, but not limited to, categorical funds, reimbursements
24 for wards of the court, short-term borrowings including, but not limited
25 to, registered warrants and tax anticipation notes, interfund loans,
26 insurance settlements, and reimbursements to county government for
27 previous overpayment. The state board shall approve a listing of grants
28 that qualify as special grant funds;

29 ~~(39)~~ ~~(40)~~ State aid means the amount of assistance paid to a
30 district pursuant to the Tax Equity and Educational Opportunities Support
31 Act;

1 (40) (41) State board means the State Board of Education;

2 (41) (42) State support means all funds provided to districts by the
3 State of Nebraska for the general fund support of elementary and
4 secondary education;

5 (42) (43) Statewide average basic funding per formula student means
6 the statewide total basic funding for all districts divided by the
7 statewide total formula students for all districts;

8 (43) (44) Statewide average general fund operating expenditures per
9 formula student means the statewide total general fund operating
10 expenditures for all districts divided by the statewide total formula
11 students for all districts;

12 (44) (45) Teacher has the definition found in section 79-101;

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

24 (45) (47) Tuition receipts from converted contracts means tuition
25 receipts received by a district from another district in the most
26 recently available complete data year pursuant to a converted contract
27 prior to the expiration of the contract;

28 (46) (48) Tuitioned students means students in kindergarten through
29 grade twelve of the district whose tuition is paid by the district to
30 some other district or education agency;

31 (47) (49) Unadjusted poverty students means, ~~for school fiscal year~~

1 ~~2016-17 and each school fiscal year thereafter,~~ the greater of the number
2 of low-income students or the free lunch and free milk calculated
3 students in a district; and

4 ~~(48) (50)~~ Very sparse local system means a local system that has:

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

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

16 Sec. 26. Section 79-1007.11, Revised Statutes Cumulative Supplement,
17 2020, is amended to read:

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

31 ~~(2) Except as otherwise provided in this section, for school fiscal~~

1 ~~year 2016-17, each school district's formula need shall equal the~~
2 ~~difference of the sum of the school district's basic funding, poverty~~
3 ~~allowance, limited English proficiency allowance, focus school and~~
4 ~~program allowance, summer school allowance, special receipts allowance,~~
5 ~~transportation allowance, elementary site allowance, distance education~~
6 ~~and telecommunications allowance, averaging adjustment, new learning~~
7 ~~community transportation adjustment, student growth adjustment, any~~
8 ~~positive student growth adjustment correction, and new school adjustment,~~
9 ~~minus the sum of the limited English proficiency allowance correction,~~
10 ~~poverty allowance correction, and any negative student growth adjustment~~
11 ~~correction.~~

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

24 ~~(1) (4) Except as otherwise provided in this section, for school~~
25 ~~fiscal year 2019-20 and each school fiscal year thereafter, each school~~
26 ~~district's formula need shall equal the difference of the sum of the~~
27 ~~school district's basic funding, poverty allowance, limited English~~
28 ~~proficiency allowance, focus school and program allowance, summer school~~
29 ~~allowance, special receipts allowance, transportation allowance,~~
30 ~~elementary site allowance, distance education and telecommunications~~
31 ~~allowance, community achievement plan allowance, averaging adjustment,~~

1 new community achievement plan adjustment, student growth adjustment, any
2 positive student growth adjustment correction, and new school adjustment
3 minus the sum of the limited English proficiency allowance correction,
4 poverty allowance correction, and any negative student growth adjustment
5 correction.

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

14 (3) ~~(6)~~ If the formula need calculated for a school district
15 pursuant to subsection ~~subsections~~ (1) ~~through~~ ~~(4)~~ of this section is
16 more than one hundred twelve percent of the formula need for such
17 district for the school fiscal year immediately preceding the school
18 fiscal year for which aid is being calculated, the formula need for such
19 district shall equal one hundred twelve percent of the formula need for
20 such district for the school fiscal year immediately preceding the school
21 fiscal year for which aid is being calculated, except that the formula
22 need shall not be reduced pursuant to this subsection for any district
23 receiving a student growth adjustment for the school fiscal year for
24 which aid is being calculated.

25 (4) ~~(7)~~ For purposes of subsections (2) and (3) ~~(5)~~ and ~~(6)~~ of this
26 section, the formula need for the school fiscal year immediately
27 preceding the school fiscal year for which aid is being calculated shall
28 be the formula need used in the final calculation of aid pursuant to
29 section 79-1065 and for districts that were affected by a reorganization
30 with an effective date in the calendar year preceding the calendar year
31 in which aid is certified for the school fiscal year for which aid is

1 being calculated, the formula need for the school fiscal year immediately
2 preceding the school fiscal year for which aid is being calculated shall
3 be attributed to the affected school districts based on information
4 provided to the department by the school districts or proportionally
5 based on the adjusted valuation transferred if sufficient information has
6 not been provided to the department.

7 Sec. 27. Section 79-1065.02, Revised Statutes Cumulative Supplement,
8 2020, is amended to read:

9 79-1065.02 (1) State aid payments pursuant to the Tax Equity and
10 Educational Opportunities Support Act and payments of core services and
11 technology infrastructure funds pursuant to section 79-1241.03 shall be
12 adjusted when property within the boundaries of a school district or
13 educational service unit is transferred to another school district or
14 educational service unit ~~due to a change in school district boundaries~~ in
15 response to annexation of the transferred property by a city or village.

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

28 (b) For an educational service unit to qualify for additional core
29 services and technology infrastructure funds pursuant to this section,
30 the educational service unit from which property is being transferred
31 shall apply on a form prescribed by the State Department of Education on

1 or before August 20 preceding the first school fiscal year for which the
2 property will not be available for taxation for the educational service
3 unit's general fund levy.

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

31 (b) Upon receipt of an application from an educational service unit,

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

27 (4)(a) (4) The state aid payments shall be reduced for the high
28 school districts ~~district~~ of each receiving local system. An amount equal
29 to the additional state aid calculated pursuant to subdivision (3)(a)
30 ~~subsection (3)~~ of this section for the local system of an applicant
31 school district shall be attributed to the local systems receiving

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

18 (b) Core services and technology infrastructure funds shall be
19 reduced for each receiving educational service unit. An amount equal to
20 the additional core services and technology infrastructure funds
21 calculated pursuant to subdivision (3)(b) of this section for the
22 applicant educational service unit shall be attributed to the educational
23 service units receiving valuation in such transfer based upon the ratio
24 of the adjusted valuation received by each educational service unit
25 divided by the total adjusted valuation transferred from the applicant
26 educational service unit. Core services and technology infrastructure
27 funds shall be reduced by one-tenth of the amount attributed to any such
28 receiving educational service unit for each of the ten payments of core
29 services and technology infrastructure funds for such school fiscal year.
30 If the total reduction is greater than the total payments of core
31 services and technology infrastructure funds for any such educational

1 service unit for such school fiscal year, the remainder shall be
2 subtracted from payments of core services and technology infrastructure
3 funds in future school fiscal years until the total reduction has been
4 subtracted from such payments. On or before September 20 of such school
5 fiscal year, the department shall certify to the receiving educational
6 service units the amount of the reduction in core services and technology
7 infrastructure funds.

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

17 Sec. 28. Section 79-1074, Revised Statutes Cumulative Supplement,
18 2020, is amended to read:

19 79-1074 ~~(1)~~—The county clerk of any county in which a part of a
20 ~~joint~~ school district or learning community is located shall, on or
21 before the date prescribed in subsection (1) of section 13-509, certify
22 the taxable valuation of all taxable property of such part of the school
23 ~~joint~~ district or learning community to the clerk of the headquarters
24 county in which the schoolhouse or the administrative office of the
25 school district or learning community is located.

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

1 ~~of the high school district or learning community is located.~~

2 Sec. 29. Section 79-1075, Revised Statutes Cumulative Supplement,
3 2020, is amended to read:

4 79-1075 ~~(1)~~The county board of the county in which is located the
5 ~~schoolhouse or the administrative office of any joint school district or,~~
6 ~~for years prior to 2017, learning community~~ shall make a levy for the
7 school district ~~or, for years prior to 2017, learning community,~~ as may
8 be necessary, and the county clerk of that headquarters county shall
9 certify the levy, on or before the date prescribed in section 77-1601, to
10 the county clerk of each county in which is situated any portion of the
11 ~~joint school district or learning community.~~ This section shall apply to
12 all taxes levied on behalf of school districts, including, but not
13 limited to, taxes authorized by sections 10-304, 10-711, 77-1601, 79-747,
14 79-1084, 79-1085, 79-1086, 79-10,100, 79-10,110, 79-10,110.02, 79-10,118,
15 79-10,120, and 79-10,126.

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

26 Sec. 30. Section 79-10,119, Reissue Revised Statutes of Nebraska, is
27 amended to read:

28 79-10,119 A ~~Class III, IV, or V~~ school district may purchase,
29 acquire, own, manage, and hold title to real estate for future school
30 sites which at the time of such purchasing or acquiring is outside such
31 school district in a territory not more than three miles beyond the

1 limits of such district but contiguous thereto. Such district shall not
2 erect school buildings on the real estate prior to the inclusion of such
3 real estate within the boundaries of such a school district. If the real
4 estate so acquired adjoins the purchaser's district, the acquisition of
5 the real estate constitutes an annexation of such real estate to the
6 purchaser's district. The intervention of a street, road, or highway
7 between the real estate to be acquired and the purchaser's district does
8 not preclude such real estate from being considered as adjoining the
9 purchaser's district.

10 Sec. 31. Section 79-1241.03, Revised Statutes Cumulative Supplement,
11 2020, is amended to read:

12 79-1241.03 (1) Two percent of the appropriation funds ~~appropriated~~
13 for core services and technology infrastructure funds shall be
14 transferred to the Educational Service Unit Coordinating Council. The
15 remainder of such funds shall be distributed pursuant to subsections (2)
16 through (5) of this section.

17 (2)(a) The distance education and telecommunications allowance for
18 each educational service unit shall equal eighty-five percent of the
19 difference of the costs for telecommunications services, for access to
20 data transmission networks that transmit data to and from the educational
21 service unit, and for the transmission of data on such networks paid by
22 the educational service unit as reported on the annual financial report
23 for the most recently available complete data year minus the receipts
24 from the federal Universal Service Fund pursuant to 47 U.S.C. 254, as
25 such section existed on January 1, 2021 ~~2007~~, for the educational service
26 unit as reported on the annual financial report for the most recently
27 available complete data year and minus any receipts from school districts
28 or other educational entities for payment of such costs as reported on
29 the annual financial report of the educational service unit.

30 (b) The base allocation of each educational service unit shall equal
31 two and one-half percent of the funds appropriated for distribution

1 pursuant to this section.

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

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

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

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

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

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

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

1 adjustment for the learning community.

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

5 (k) The student allocation for each educational service unit and
6 learning community shall equal the per student allocation multiplied by
7 the adjusted students for the educational service unit or learning
8 community.

9 (l) The needs for each educational service unit shall equal the sum
10 of the distance education and telecommunications allowance, base
11 allocation, satellite office allocation, and student allocation for the
12 educational service unit and the needs for each learning community shall
13 equal the student allocation for the learning community.

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

19 (3) If an educational service unit is the result of a merger or
20 received new member school districts from another educational service
21 unit, the educational service unit shall be considered a new educational
22 service unit for purposes of this section. For each new educational
23 service unit, the needs minus the distance education and
24 telecommunications allowance for such new educational service unit shall,
25 for each of the three fiscal years following the fiscal year in which the
26 merger takes place or the new member school districts are received, equal
27 an amount not less than the needs minus the distance education and
28 telecommunications allowance for the portions of the educational service
29 units transferred to the new educational service unit for the fiscal year
30 immediately preceding the merger or receipt of new member school
31 districts, except that if the total amount available to be distributed

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

22 (4) If the minimum needs minus the distance education and
23 telecommunications allowance pursuant to subsection (3) of this section
24 for any educational service unit exceeds the amount that would otherwise
25 be calculated for such educational service unit pursuant to subsection
26 (2) of this section, the statewide student allocation shall be reduced
27 such that the total amount to be distributed pursuant to this section
28 equals the appropriation for core services and technology infrastructure
29 funds and no educational service unit has needs minus the distance
30 education and telecommunications allowance less than the greater of any
31 minimum amounts calculated for such educational service unit pursuant to

1 subsection (3) of this section.

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

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

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

27 (a) Funding for core services and technology infrastructure for each
28 educational service unit consist of both amounts received pursuant to
29 this section and an amount greater than or equal to the product of the
30 adjusted valuation for the educational service unit multiplied by the
31 local effort rate; and

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

8 Sec. 32. Section 79-1605, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 79-1605 The superintendent of the ~~high~~ school district ~~and its~~
11 ~~affiliated territory~~ in which any private, denominational, or parochial
12 school is located, which school is not otherwise inspected by an area or
13 diocesan representative holding a Nebraska certificate to administer,
14 shall inspect such schools and report to the proper officers any evidence
15 of failure to observe any of the provisions of sections 79-1601 to
16 79-1607. The Commissioner of Education, when in his or her judgment it is
17 deemed advisable, may appoint a public school official other than such
18 superintendent, including a member of the State Department of Education,
19 for such inspections. Such appointee shall hold a Nebraska certificate to
20 administer. The State Board of Education shall require the
21 superintendents and appointed public school officials to make such
22 inspections at least twice a year, and the school officers of such
23 schools and the teachers giving instruction in such schools shall permit
24 such inspection and assist and cooperate in the making of the same.

25 Sec. 33. Section 79-2104.02, Revised Statutes Cumulative Supplement,
26 2020, is amended to read:

27 79-2104.02 Each learning community coordinating council shall use
28 any funds received pursuant to section 79-1241.03 for evaluation of
29 programs related to the community achievement plan developed with the
30 assistance of the student achievement coordinator or other department
31 staff designated by the Commissioner of Education and evaluation and

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

18 Sec. 34. Section 79-2118, Reissue Revised Statutes of Nebraska, is
19 amended to read:

20 79-2118 (1) Each learning community, together with its member school
21 districts, shall develop a diversity plan to provide educational
22 opportunities pursuant to sections 79-769 and 79-2110 in each subcouncil
23 district designed to attract students from diverse backgrounds, which
24 plan may be revised from time to time. The initial diversity plan shall
25 be completed by December 31 of the year the initial learning community
26 coordinating council for the learning community takes office. The goal of
27 the diversity plan shall be to ~~annually~~ increase the socioeconomic
28 diversity of enrollment at each grade level in each school building
29 within the learning community ~~until such enrollment reflects the average~~
30 ~~socioeconomic diversity of the entire enrollment of the learning~~
31 ~~community.~~

1 (2) Each diversity plan for a learning community shall include
2 specific provisions relating to each subcouncil district within such
3 learning community. The specific provisions relating to each subcouncil
4 district shall be approved by both the achievement subcouncil for such
5 district and by the learning community coordinating council.

6 (3) The learning community coordinating council shall report
7 electronically to the Education Committee of the Legislature on or before
8 ~~February~~ January 1 of each odd-numbered year on the diversity and changes
9 in diversity at each grade level in each school building within the
10 learning community and on the academic achievement for different
11 demographic groups in each school building within the learning community.

12 Sec. 35. Section 79-2603, Revised Statutes Cumulative Supplement,
13 2020, is amended to read:

14 79-2603 (1) ~~Each~~ For school year 2019-20 and each school year
15 ~~thereafter, each~~ school district shall administer an approved reading
16 assessment three times during the school year to all students in
17 kindergarten through grade three, except for any student receiving
18 specialized instruction for limited English proficiency who has been
19 receiving such instruction for less than two years, any student receiving
20 special education services for whom such assessment would conflict with
21 the individualized education plan, and any student receiving services
22 under a plan pursuant to the requirements of section 504 of the federal
23 Rehabilitation Act of 1973, 29 U.S.C. 794, or Title II of the federal
24 Americans with Disabilities Act of 1990, 42 U.S.C. 12131 to 12165, as
25 such acts and sections existed on January 1, 2021 ~~2018~~, for whom such
26 assessment would conflict with such section 504 or Title II plan. The
27 first administration of such assessment for kindergarten students ~~each~~
28 ~~such school year~~ shall occur within the first forty-five calendar ~~thirty~~
29 days that school is in session of each ~~the school year and for all other~~
30 grades within the first thirty calendar days that school is in session of
31 each school year.

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

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

7 (b) Is valid and reliable;

8 (c) Is aligned with academic content standards for reading adopted
9 by either the State Board of Education pursuant to section 79-760.01 or
10 the school district administering such assessment pursuant to section
11 79-760.02;

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

15 (e) Is commercially available and complies with requirements
16 established by the department.

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

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

25 Sec. 36. Section 79-2605, Revised Statutes Cumulative Supplement,
26 2020, is amended to read:

27 79-2605 (1) Each school district shall provide a supplemental
28 reading intervention program for the purpose of ensuring that students
29 can read at or above grade level at the end of third grade. School
30 districts may work collaboratively with a reading specialist at the State
31 Department of Education, with educational service units, with learning

1 communities, or through interlocal agreements to develop and provide such
2 supplemental reading intervention programs. Each supplemental reading
3 intervention program shall be:

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

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

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

17 (2) The supplemental reading intervention program may also include:

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

20 (b) Diagnostic assessments to identify specific skill-based
21 strengths and weaknesses a student may have;

22 (c) Frequent monitoring of ~~frequently monitor~~ student progress
23 throughout the school year with and ~~adjust~~ instruction adjusted
24 accordingly;

25 (d) ~~(e)~~ Intensive intervention using strategies selected from the
26 following list to match the weaknesses identified in the diagnostic
27 assessment:

28 (i) Development in phonemic awareness, phonics, fluency, vocabulary,
29 and reading comprehension;

30 (ii) Explicit and systematic instruction with detailed explanations,
31 extensive opportunities for guided practice, and opportunities for error

1 corrections and feedback; or

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

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

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

11 Sec. 37. Section 79-2606, Revised Statutes Cumulative Supplement,
12 2020, is amended to read:

13 79-2606 (1) The school of any student who is identified as having a
14 reading deficiency shall notify such student's parents or guardians
15 either in writing or by electronic communication no later than fifteen
16 working days after the identification of the reading deficiency that the
17 student has been identified as having a reading deficiency and that an
18 individualized ~~individual~~ reading improvement plan will be established
19 and shared with the parents or guardians.

20 (2) Any student who is identified as having a reading deficiency
21 shall receive an individualized ~~individual~~ reading improvement plan,
22 which shall include a supplemental reading intervention program, no later
23 than thirty days after the identification of such reading deficiency. The
24 reading improvement plan may be created by the teacher, the principal,
25 other pertinent school personnel, and the parents or guardians of the
26 student and shall describe the reading intervention services the student
27 will receive through the supplemental reading intervention program
28 pursuant to section 79-2605 to remedy such reading deficiency. Each such
29 student shall receive reading intervention services through the
30 supplemental reading intervention program pursuant to section 79-2605
31 until the student is no longer identified as having a reading deficiency.

1 Sec. 38. Section 85-505, Revised Statutes Cumulative Supplement,
2 2020, is amended to read:

3 85-505 Any member of the Nebraska National Guard who enrolls in any
4 state-supported university, college, or community college or any
5 independent, not-for-profit, ~~regionally~~ accredited college or university
6 in this state shall be entitled to a credit of one hundred percent of the
7 resident tuition charges of such school for a diploma, certificate,
8 associate degree, or baccalaureate degree program or fifty percent of the
9 resident tuition charges of such school for a graduate or professional
10 degree program, except that any member who attends an independent, not-
11 for-profit, ~~regionally~~ accredited college or university in this state
12 shall receive a credit in an amount no higher than such member would
13 receive if attending the University of Nebraska-Lincoln. Such entitlement
14 shall be for a period of ten years from the date of the member's initial
15 membership so long as the member maintains satisfactory performance with
16 the guard and pursues a course of study in such institution in a manner
17 which satisfies the normal requirements of the institution. If a member
18 is unable to complete the course of study within the ten-year period due
19 to deployment on federal or state active-duty status for not less than
20 one hundred twenty days, the Adjutant General may extend the entitlement
21 period for such member for a period equal to the period of such person's
22 active-duty status, not to exceed a maximum of five years. During the
23 extended entitlement period, the member shall be subject to all remaining
24 conditions and limitations of the tuition assistance program prescribed
25 in sections 85-505 to 85-508. The number of individuals granted tuition
26 credit shall not exceed the number specified in section 85-505.01 during
27 any fiscal year, and the amount of tuition credits granted shall not
28 exceed nine hundred thousand dollars during any fiscal year. When
29 determining to whom such tuition credit shall be awarded, priority shall
30 be given to those individuals who have previously received tuition
31 credits while a National Guard member, and the Nebraska National Guard

1 shall apply those program qualifications and limitations consistent with
2 efficient and effective program management as determined by the Adjutant
3 General.

4 Sec. 39. Section 85-507, Revised Statutes Cumulative Supplement,
5 2020, is amended to read:

6 85-507 The spouse and children of any member of the Nebraska
7 National Guard who dies while serving in the active service of the state
8 shall be entitled to a credit of one hundred percent of the tuition
9 charges in any state-supported university, college, or community college
10 or any independent, not-for-profit, ~~regionally~~ accredited college or
11 university in this state, except that any spouse or child who attends an
12 independent, not-for-profit, ~~regionally~~ accredited college or university
13 in this state shall receive a credit in an amount no higher than that
14 spouse or child would receive if attending the University of Nebraska-
15 Lincoln. Such tuition credit shall be for any undergraduate course of
16 education not exceeding four years, except that no credit shall be
17 granted to the spouse after the tenth anniversary of the member's death
18 and no credit shall be granted to a child after such child's twenty-fifth
19 birthday. All persons eligible for tuition credit under this section
20 shall obtain a certificate of eligibility from the Adjutant General of
21 the Nebraska National Guard and present such certificate to the
22 educational institution.

23 Sec. 40. Section 85-1609, Reissue Revised Statutes of Nebraska, is
24 amended to read:

25 85-1609 Accreditation by ~~national or regional~~ accrediting agencies
26 recognized by the United States Department of Education such as the
27 Association of Independent Colleges and Schools, the Accrediting Council
28 for Continuing Education and Training, the National Accrediting
29 Association of Cosmetology Arts and Sciences, or the National Association
30 of Trade and Technical Schools may be accepted by the department as
31 evidence of compliance with the minimum standards established pursuant to

1 sections 85-1606 and 85-1608. Accreditation by a recognized, specialized
2 accrediting agency such as the Council on Medical Education of the
3 American Medical Association, the Commission on Accreditation of the
4 American Dental Association, or the American Veterinary Medical
5 Association may be accepted as evidence of such compliance only as to the
6 portion or program of a school accredited by such agency if the school as
7 a whole is not accredited.

8 Sec. 41. Section 85-1802, Revised Statutes Cumulative Supplement,
9 2020, is amended to read:

10 85-1802 For purposes of sections 85-1801 to 85-1817:

11 (1) Administrative fund means the College Savings Plan
12 Administrative Fund created in section 85-1807;

13 (2) Beneficiary means the individual designated by a participation
14 agreement to benefit from advance payments of qualified higher education
15 expenses on behalf of the beneficiary;

16 (3) Benefits means the payment of qualified higher education
17 expenses on behalf of a beneficiary by the Nebraska educational savings
18 plan trust during the beneficiary's attendance at an eligible educational
19 institution;

20 (4) Eligible educational institution means an institution described
21 in 20 U.S.C. 1088 which is eligible to participate in a program under
22 Title IV of the federal Higher Education Act of 1965;

23 (5) Expense fund means the College Savings Plan Expense Fund created
24 in section 85-1807;

25 (6) Nebraska educational savings plan trust means the trust created
26 in section 85-1804;

27 (7) Nonqualified withdrawal refers to (a) a distribution from an
28 account to the extent it is not used to pay the qualified higher
29 education expenses of the beneficiary, (b) a qualified rollover permitted
30 by section 529 of the Internal Revenue Code where the funds are
31 transferred to a qualified tuition program sponsored by another state or

1 entity, or (c) a distribution from an account to pay the costs of
2 attending kindergarten through grade twelve;

3 (8) Participant or account owner means an individual, an
4 individual's legal representative, or any other legal entity authorized
5 to establish a savings account under section 529 of the Internal Revenue
6 Code who has entered into a participation agreement for the advance
7 payment of qualified higher education expenses on behalf of a
8 beneficiary. For purposes of section 77-2716, as to contributions by a
9 custodian to a custodial account established pursuant to the Nebraska
10 Uniform Transfers to Minors Act or similar law in another state, which
11 account has been established under a participation agreement, participant
12 includes the parent or guardian of a minor, which parent or guardian is
13 also the custodian of the account;

14 (9) Participation agreement means an agreement between a participant
15 and the Nebraska educational savings plan trust entered into under
16 sections 85-1801 to 85-1817;

17 (10) Program fund means the College Savings Plan Program Fund
18 created in section 85-1807;

19 (11) Qualified higher education expenses means the certified costs
20 of tuition and fees, books, supplies, and equipment required for
21 enrollment or attendance at an eligible educational institution.
22 Reasonable room and board expenses, based on the minimum amount
23 applicable for the eligible educational institution during the period of
24 enrollment, shall be included as qualified higher education expenses for
25 those students enrolled on at least a half-time basis. In the case of a
26 special needs beneficiary, expenses for special needs services incurred
27 in connection with enrollment or attendance at an eligible educational
28 institution shall be included as qualified higher education expenses.
29 Expenses paid or incurred ~~in 2009 or 2010~~ for the purchase of computer
30 technology or equipment or Internet access and related services, subject
31 to the limitations set forth in section 529 of the Internal Revenue Code,

1 shall be included as qualified higher education expenses. Qualified
2 higher education expenses does not include any amounts in excess of those
3 allowed by section 529 of the Internal Revenue Code;

4 (12) Section 529 of the Internal Revenue Code means such section of
5 the code and the regulations interpreting such section; and

6 (13) Tuition and fees means the quarter or semester charges imposed
7 to attend an eligible educational institution.

8 Sec. 42. Section 85-2002, Revised Statutes Cumulative Supplement,
9 2020, is amended to read:

10 85-2002 For purposes of the Community College Gap Assistance Program
11 Act:

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

17 (2) ~~(1)~~ Committee means the Nebraska Community College Student
18 Performance and Occupational Education Grant Committee;

19 (3) ~~(2)~~ Community college gap assistance program means the program
20 created pursuant to section 85-2003;

21 (4) ~~(3)~~ Eligible program means a program offered by a community
22 college or other eligible institution that (a) either (i) is not offered
23 for credit and has a duration of not less than sixteen contact hours in
24 length or (ii) is offered for credit but is of insufficient clock,
25 semester, or quarter hours to be eligible for Federal Pell Grants, (b) is
26 aligned with training programs with stackable credentials that lead to a
27 program awarding college credit, an associate's degree, a diploma, or a
28 certificate in an in-demand occupation, and (c) does any of the
29 following:

30 (i) Offers a state, national, or locally recognized certificate;

31 (ii) Offers preparation for a professional examination or licensure;

- 1 (iii) Provides endorsement for an existing credential or license;
- 2 (iv) Represents recognized skill standards defined by an industrial
- 3 sector; or
- 4 (v) Offers a similar credential or training; ~~and~~
- 5 (5) (4) In-demand occupation means:
- 6 (a) Financial services;
- 7 (b) Transportation, warehousing, and distribution logistics;
- 8 (c) Precision metals manufacturing;
- 9 (d) Biosciences;
- 10 (e) Renewable energy;
- 11 (f) Agriculture and food processing;
- 12 (g) Business management and administrative services;
- 13 (h) Software and computer services;
- 14 (i) Research, development, and engineering services;
- 15 (j) Health services;
- 16 (k) Hospitality and tourism; and
- 17 (l) Any other industry designated as an in-demand occupation by the
- 18 committee; and -

19 (6) Other eligible institution means an accredited college with

20 which the Coordinating Commission for Postsecondary Education has a

21 contract pursuant to subsection (4) of section 85-2010.

22 Sec. 43. Section 85-2003, Revised Statutes Cumulative Supplement,

23 2020, is amended to read:

24 85-2003 (1) The community college gap assistance program is created.

25 The program shall be under the direction of the committee and shall be

26 administered by the Coordinating Commission for Postsecondary Education.

27 The purpose of the community college gap assistance program is to provide

28 ~~funding to community colleges to award~~ community college gap assistance

29 to students in eligible programs.

30 (2) To be eligible for community college gap assistance under the

31 community college gap assistance program, an applicant:

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

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

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

7 Sec. 44. Section 85-2004, Revised Statutes Cumulative Supplement,
8 2020, is amended to read:

9 85-2004 Application for community college gap assistance under the
10 community college gap assistance program shall be made to the community
11 college or other eligible institution in which the applicant is enrolled
12 or intends to enroll. An application shall be valid for six months from
13 the date of signature on the application. The applicant shall provide
14 documentation of all sources of income. An applicant shall not receive
15 community college gap assistance for more than one eligible program.

16 Sec. 45. Section 85-2005, Revised Statutes Cumulative Supplement,
17 2020, is amended to read:

18 85-2005 (1) An applicant for community college gap assistance under
19 the community college gap assistance program shall demonstrate capacity
20 to achieve the following outcomes:

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

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

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

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

26 (2) The committee may grant community college gap assistance under
27 the community college gap assistance program to an applicant in any
28 amount up to the full amount of eligible costs.

29 (3) The committee shall deny an application when the community
30 college or other eligible institution receiving the application
31 determines that funding for an applicant's participation in an eligible

1 program is available from any other public or private funding source.

2 Sec. 46. Section 85-2007, Revised Statutes Cumulative Supplement,
3 2020, is amended to read:

4 85-2007 An applicant for community college gap assistance under the
5 community college gap assistance program shall complete an initial
6 assessment administered by the community college or other eligible
7 institution receiving the application to determine the applicant's
8 readiness to complete an eligible program. The initial assessment shall
9 include any assessments required by the eligible program.

10 Sec. 47. Section 85-2008, Revised Statutes Cumulative Supplement,
11 2020, is amended to read:

12 85-2008 (1) A recipient of community college gap assistance under
13 the community college gap assistance program shall:

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

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

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

22 (d) Attend all required courses regularly; and

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

25 (2) A community college or other eligible institution may terminate
26 community college gap assistance under the community college gap
27 assistance program for a recipient who fails to meet the requirements of
28 this section.

29 Sec. 48. Section 85-2009, Revised Statutes Cumulative Supplement,
30 2020, is amended to read:

31 85-2009 (1) The Community College Gap Assistance Program Fund is

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

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

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

18 (a) To establish application and funding procedures; and

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

29 (c) To assist other eligible institutions as specified in contracts
30 entered into pursuant to subsection (4) of section 85-2010 in defraying
31 the costs of direct staff support services, including, but not limited

1 to, marketing, outreach, applications, interviews, and assessments
2 related to the community college gap assistance program.

3 Sec. 49. Section 85-2010, Revised Statutes Cumulative Supplement,
4 2020, is amended to read:

5 85-2010 (1) The committee shall develop a common applicant tracking
6 system for the community college gap assistance program that shall be
7 implemented consistently by each participating community college and
8 other eligible institution.

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

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

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

22 Sec. 50. Section 85-2104, Revised Statutes Cumulative Supplement,
23 2020, is amended to read:

24 85-2104 Applications for the Access College Early Scholarship
25 Program shall be prioritized for students qualifying pursuant to
26 subdivision (1) or (2) of this section, and applications for students
27 qualifying only pursuant to subdivision (3) of this section shall only be
28 considered if funds are available after fulfilling the applications for
29 students qualifying pursuant to subdivision (1) or (2) of this section.
30 Priority dates shall be determined by the commission on a term basis. The
31 Commissioner of Education may verify eligibility for a student described

1 in subdivision (1)(c) of this section when requested by the commission. A
2 student who is applying to take one or more courses for credit from a
3 qualified postsecondary educational institution is eligible for the
4 Access College Early Scholarship Program if:

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

7 (a) Supplemental Security Income;

8 (b) Supplemental Nutrition Assistance Program benefits;

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

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

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

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

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

21 Sec. 51. Section 85-2802, Revised Statutes Cumulative Supplement,
22 2020, is amended to read:

23 85-2802 For purposes of the Meadowlark Act:

24 (1) Contribution means a donation which is made for the purpose of
25 providing a source of funding for the Meadowlark Program established in
26 section 85-2804;

27 (2) (1) Eligible educational institution has the same meaning as in
28 section 85-1802;

29 (3) (2) Nebraska educational savings plan trust has the same meaning
30 as in section 85-1802;

31 (4) (3) Qualified higher education expenses has the same meaning as

1 in section 85-1802; and

2 ~~(5)~~ (4) Qualified individual means an individual born on or after
3 January 1, 2020, who is a resident of this state at the time of birth, ÷
4 and

5 ~~(5) Qualified private contribution means a contribution from an~~
6 ~~individual or private entity which is made for the purpose of providing a~~
7 ~~source of funding for the Meadowlark Program established in section~~
8 ~~85-2804.~~

9 Sec. 52. Section 85-2803, Revised Statutes Cumulative Supplement,
10 2020, is amended to read:

11 85-2803 (1) There is hereby established in the state treasury a
12 trust fund to be known as the Meadowlark Endowment Fund. The fund shall
13 be administered by the State Treasurer and shall consist of qualified
14 private contributions and any amounts appropriated or transferred to the
15 fund by the Legislature. No General Funds shall be transferred to the
16 Meadowlark Endowment Fund. Any money in the fund available for investment
17 shall be invested by the state investment officer pursuant to the
18 Nebraska Capital Expansion Act and the Nebraska State Funds Investment
19 Act. No portion of the principal of the fund shall be expended for any
20 purpose except investment pursuant to this subsection.

21 (2) The State Treasurer may accept ~~qualified private~~ contributions
22 and shall credit all such contributions received either to the Meadowlark
23 Endowment Fund or to accounts opened under the Meadowlark Program, at the
24 direction of the donor. Such contributions shall not be used to pay
25 expenses associated with attending kindergarten through grade twelve.

26 (3) On or before April 1 of each year, the State Treasurer shall
27 determine the total amount of ~~qualified private~~ contributions received
28 under subsection (2) of this section in the previous calendar year and
29 shall transfer an equal amount from the College Savings Plan Expense Fund
30 or the Unclaimed Property Escheat Trust Fund, as determined by the State
31 Treasurer, to the Meadowlark Endowment Fund or to accounts opened under

1 the Meadowlark Program. For any amount transferred from the College
2 Savings Plan Expense Fund or the Unclaimed Property Escheat Trust Fund
3 that is not being transferred to the Meadowlark Endowment Fund, the State
4 Treasurer shall evenly distribute such amount to the accounts opened
5 under the Meadowlark Program in the previous calendar year.

6 Sec. 53. Beginning with the 2022-23 school year, each school board
7 shall require that the telephone number for a national suicide prevention
8 hotline, a local suicide prevention hotline, or a crisis text line is
9 printed on each new student identification card issued to a student
10 enrolled in a middle school grade or a high school grade, as defined by
11 such school board, in a school under the authority of such school board.
12 Nothing in this section shall be construed to require the issuance of
13 student identification cards to students in any school.

14 Sec. 54. Beginning with the 2022-23 academic year, each public
15 postsecondary institution authorized to operate in this state shall
16 require that the telephone number for a national suicide prevention
17 hotline, a local suicide prevention hotline, or a crisis text line is
18 printed on each new student identification card issued to a student
19 enrolled in such public postsecondary institution. Nothing in this
20 section shall be construed to require the issuance of student
21 identification cards to students in any postsecondary institution.

22 Sec. 55. Original sections 38-316, 38-10,109, 38-2613, 38-2616,
23 38-3106, 72-232, 72-233, 72-234, 72-235, 76-2203.01, 77-2704.12, 79-202,
24 79-422, 79-433, 79-449, 79-8,133, 79-10,119, 79-1605, 79-2118, and
25 85-1609, Reissue Revised Statutes of Nebraska, and sections 1-116,
26 38-1813, 58-809, 77-1601.02, 77-27,119, 79-308, 79-611, 79-8,137.01,
27 79-1003, 79-1007.11, 79-1065.02, 79-1074, 79-1075, 79-1241.03,
28 79-2104.02, 79-2603, 79-2605, 79-2606, 85-505, 85-507, 85-1802, 85-2002,
29 85-2003, 85-2004, 85-2005, 85-2007, 85-2008, 85-2009, 85-2010, 85-2104,
30 85-2802, and 85-2803, Revised Statutes Cumulative Supplement, 2020, are
31 repealed.

1 Sec. 56. The following sections are outright repealed: Section
2 72-234.01, Reissue Revised Statutes of Nebraska, and section 85-9,140,
3 Revised Statutes Cumulative Supplement, 2020.