

LEGISLATURE OF NEBRASKA  
ONE HUNDRED NINTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 1201**

Introduced by Guereca, 7.

Read first time January 21, 2026

Committee: Education

- 1 A BILL FOR AN ACT relating to schools; to amend sections 79-1021 and
- 2 79-2601, Reissue Revised Statutes of Nebraska; to amend the uses of
- 3 the Education Future Fund as prescribed; to amend the Nebraska
- 4 Reading Improvement Act; to provide for a grant program related to
- 5 classroom libraries and engagement materials as prescribed; to
- 6 harmonize provisions; to repeal the original sections; and to
- 7 declare an emergency.
- 8 Be it enacted by the people of the State of Nebraska,

1           **Section 1.** Section 79-1021, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3           79-1021 (1) The Education Future Fund is created. The fund shall be  
4 administered by the department and shall consist of money transferred to  
5 the fund by the Legislature. Transfers may be made from the Education  
6 Future Fund to the Computer Science and Technology Education Fund at the  
7 direction of the Legislature. Any money in the Education Future Fund  
8 available for investment shall be invested by the state investment  
9 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska  
10 State Funds Investment Act.

11           (2) The fund shall be used only for the following purposes, in order  
12 of priority:

13           (a) To fully fund equalization aid under the Tax Equity and  
14 Educational Opportunities Support Act;

15           (b) To fund reimbursements related to special education under  
16 section 79-1142;

17           (c) To fund foundation aid under the Tax Equity and Educational  
18 Opportunities Support Act;

19           (d) To increase funding for school districts in a way that results  
20 in direct property tax relief, which means a dollar-for-dollar  
21 replacement of property taxes by a state funding source;

22           (e) To provide funding for a grant program created by the  
23 Legislature to address teacher turnover rates and keep existing teachers  
24 in classrooms;

25           (f) To provide funding to increase career and technical educational  
26 classroom opportunities for students, including, but not limited to,  
27 computer science education. Such funding must provide students with the  
28 academic and technical skills, knowledge, and training necessary to  
29 succeed in future careers;

30           (g) To provide funding for a grant program created by the  
31 Legislature to provide students the opportunity to have a mentor who will

1 continuously engage with the student directly to aid in the student's  
2 professional growth and give ongoing support and encouragement to the  
3 student;

4 (h) To provide funding for extraordinary increases in special  
5 education expenditures to allow school districts with large, unexpected  
6 special education expenditures to more easily meet the needs of all  
7 students;

8 (i) To provide funding to help recruit teachers throughout the state  
9 by utilizing apprenticeships through a teacher apprenticeship program and  
10 an alternative certification process;

11 (j) To provide funding to develop and implement a professional  
12 learning system to help provide sustained professional learning and  
13 training regarding evidence-based reading instruction and for a grant  
14 program relating to dyslexia research; and

15 (k) To provide funding for a grant program related to the Nebraska  
16 Reading Improvement Act as provided in section 3 of this act; and

17 (1) (k) To provide funding for a pilot project administered by the  
18 State Department of Education to provide menstrual products to school  
19 districts.

20 (3)(a) The State Treasurer shall transfer one billion dollars from  
21 the General Fund to the Education Future Fund in fiscal year 2023-24, on  
22 such dates and in such amounts as directed by the budget administrator of  
23 the budget division of the Department of Administrative Services.

24 (b) The State Treasurer shall transfer two hundred fifty million  
25 dollars from the General Fund to the Education Future Fund in fiscal year  
26 2024-25, on such dates and in such amounts as directed by the budget  
27 administrator of the budget division of the Department of Administrative  
28 Services.

29 (c) It is the intent of the Legislature that two hundred fifty  
30 million dollars be transferred from the General Fund to the Education  
31 Future Fund in fiscal year 2025-26 and each fiscal year thereafter.

1       **Sec. 2.** Section 79-2601, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3       79-2601 Sections 79-2601 to 79-2607 and section 3 of this act shall  
4 be known and may be cited as the Nebraska Reading Improvement Act.

5       **Sec. 3.** (1) For the 2026-27 and 2027-28 school years and subject to  
6 available appropriations, the State Department of Education shall develop  
7 and administer a grant program to provide high-quality, age-appropriate  
8 classroom libraries and monthly parent or caregiver engagement materials  
9 in cooperation with a Nebraska-based nonprofit organization with at least  
10 ten years of experience in book distribution.

11       (2) Priority for grants shall be given to any application from a  
12 school district:

13       (a) That is in the lowest performance classification under the  
14 accountability system developed pursuant to section 79-760.06;

15       (b) In which forty percent of the students are poverty students as  
16 defined in section 79-1003; or

17       (c) In which a higher than average percentage of students in  
18 kindergarten through grade five are identified as having a reading  
19 deficiency.

20       (3) The department shall provide a recommended list of high-quality  
21 books, covering a variety of topics, subjects, and genres in at least  
22 English and Spanish, for each participating elementary classroom.

23       (4) Each participating elementary classroom shall track:

24       (i) Book circulation totals;

25       (ii) Available books, including the title, author, publisher, and  
26 International Standard Book Number for each book;

27       (iii) Student enrollment numbers; and

28       (iv) The total number of books taken home by each student.

29       (5) The department shall also assist school districts in selecting  
30 or developing parent or caregiver engagement materials for each student  
31 in a participating classroom to take home each month.

1       (6) On or before December 1, 2028, the State Department of Education  
2       shall submit a report electronically to the Clerk of the Legislature and  
3       the Education Committee of the Legislature relating to the grant program.  
4       The report shall include, to the extent possible, quantitative and  
5       qualitative metrics based on statewide assessments administered pursuant  
6       to section 79-760.03, assessments administered under the Nebraska Reading  
7       Improvement Act, and classroom assessments of reading proficiency,  
8       reading skills, or literacy acquisition.

9       (7) It is the intent of the Legislature to appropriate up to one  
10       million dollars from the Education Future Fund each fiscal year for  
11       fiscal years 2026-27 and 2027-28 to the State Department of Education to  
12       carry out this section. Such appropriation shall only be used for:

13       (a) Purchase and delivery of books;  
14       (b) Development and delivery of engagement materials;  
15       (c) Direct program staffing;  
16       (d) Evaluation of the pilot; and  
17       (e) Administrative expenses of up to ten percent of the  
18       appropriation.

19       (8) The State Board of Education may adopt and promulgate rules and  
20       regulations to carry out this section.

21       **Sec. 4.**   Original sections 79-1021 and 79-2601, Reissue Revised  
22       Statutes of Nebraska, are repealed.

23       **Sec. 5.**   Since an emergency exists, this act takes effect when  
24       passed and approved according to law.