

LEGISLATURE OF NEBRASKA  
ONE HUNDRED NINTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 589**

Introduced by Conrad, 46.

Read first time January 22, 2025

Committee: Education

1 A BILL FOR AN ACT relating to schools; to amend section 79-1142, Reissue  
2 Revised Statutes of Nebraska; to change provisions relating to  
3 reimbursement for special education programs and support services  
4 and require school districts to provide special education staff with  
5 professional leave as prescribed; and to repeal the original  
6 section.

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

1           **Section 1.** Section 79-1142, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3           79-1142 (1) Level I services refers to services provided to children  
4 with disabilities who require an aggregate of not more than three hours  
5 per week of special education services and support services and includes  
6 all administrative, diagnostic, consultative, and vocational-adjustment  
7 counselor services.

8           (2) The total allowable reimbursable cost for support services shall  
9 not exceed a percentage, established by the State Board of Education, of  
10 the school district's or approved cooperative's total allowable  
11 reimbursable cost for all special education programs and support  
12 services. The percentage established by the board for support services  
13 shall not exceed the difference of ten percent minus the percentage of  
14 the appropriations for special education approved by the Legislature set  
15 aside for reimbursements for support services pursuant to subsection (5)  
16 of this section.

17           (3) Except as provided in subsection (6) of this section, for  
18 special education and support services provided in each school fiscal  
19 year, the department shall reimburse each school district in the  
20 following school fiscal year eighty percent of the total allowable excess  
21 costs for all special education programs and support services.  
22 Cooperatives of school districts or educational service units shall also  
23 be eligible for reimbursement for cooperative programs pursuant to this  
24 section if such cooperatives or educational service units have complied  
25 with the reporting and approval requirements of section 79-1155 for  
26 cooperative programs which were offered in the preceding school fiscal  
27 year.

28           (4)(a) The payments shall be made by the department to the school  
29 district of residence, cooperative of school districts, or educational  
30 service unit each school year in a minimum of seven payments between the  
31 fifth and twentieth day of each month beginning in December. Additional

1 payments may be made based upon additional valid claims submitted. The  
2 State Treasurer shall, between the fifth and twentieth day of each month,  
3 notify the Director of Administrative Services of the amount of funds  
4 available in the General Fund and the Education Future Fund for payment  
5 purposes. The director shall, upon receiving such certification, draw  
6 warrants against such funds as appropriated.

7 (b) If the General Fund appropriations for special education  
8 approved by the Legislature, minus the amounts set aside pursuant to  
9 subsection (5) of this section, are insufficient to reimburse eighty  
10 percent of the total allowable excess costs for all special education  
11 programs and support services for any school fiscal year:

12 (i) Such allowable excess costs shall be reimbursed from the General  
13 Fund appropriations for special education approved by the Legislature,  
14 minus the amounts set aside pursuant to subsection (5) of this section,  
15 on a pro rata basis at the maximum rate of reimbursement such  
16 appropriations will allow as determined by the department; and

17 (ii) The remainder of the eighty percent reimbursement of such  
18 allowable excess costs shall be paid from the Education Future Fund.

19 (5) Residential settings described in subdivision (10)(c) of section  
20 79-215 shall be reimbursed for the educational services, including  
21 special education services and support services, in an amount determined  
22 pursuant to the average per pupil cost of the service agency.  
23 Reimbursements pursuant to this section shall be made from funds set  
24 aside for such purpose within sixty days after receipt of a reimbursement  
25 request submitted in the manner required by the department and including  
26 any documentation required by the department for educational services  
27 that have been provided, except that if there are not any funds available  
28 for the remainder of the state fiscal year for such reimbursements, the  
29 reimbursement shall occur within thirty days after the beginning of the  
30 immediately following state fiscal year. The department may audit any  
31 required documentation and subtract any payments made in error from

1 future reimbursements. The department shall set aside separate amounts  
2 from the appropriations for special education approved by the Legislature  
3 for reimbursements pursuant to this subsection for students receiving  
4 special education services and for students receiving support services  
5 for each state fiscal year. The amounts set aside for each purpose shall  
6 be based on estimates of the reimbursements to be requested during the  
7 state fiscal year and shall not be less than the total amount of  
8 reimbursements requested in the prior state fiscal year plus any unpaid  
9 requests from the prior state fiscal year.

10 (6) For each school district that received a payment pursuant to the  
11 Extraordinary Increase in Special Education Expenditures Act in the  
12 school fiscal year for which special education expenditures were  
13 reimbursed pursuant to subsection (3) of this section, an amount equal to  
14 such payment shall be subtracted from the reimbursement calculated  
15 pursuant to subsection (3) of this section and such amount shall be  
16 transferred to the Education Future Fund.

17 (7) The allowable and reimbursable costs for special education and  
18 support services shall include substitute service costs directly  
19 associated with special education programs. Each school district shall  
20 provide special education staff with four days of professional leave per  
21 year, supported by substitute personnel. Such leave shall be used onsite  
22 for the sole purpose of completing essential documentation for students  
23 receiving special education services on such staff's caseload.

24 (8) (7) On or before November 15 of each year, the department shall  
25 submit to the Governor, the Appropriations Committee of the Legislature,  
26 and the Education Committee of the Legislature:

27 (a) The total allowable excess costs for all special education  
28 programs and support services for all school districts, cooperatives of  
29 school districts, and educational service units; and

30 (b) The total reimbursements requested pursuant to subsection (5) of  
31 this section for the most recently completed school fiscal year.

1           **Sec. 2.**   Original section 79-1142, Reissue Revised Statutes of  
2 Nebraska, is repealed.