

LEGISLATIVE BILL 1006

Passed by the Legislature April 13, 2006.

Introduced by Brashear, 4; Baker, 44; Combs, 32; Cudaback, 36; Cunningham, 40; Flood, 19; Friend, 10; Johnson, 37; Kremer, 34; McDonald, 41; Pahls, 31; Dw. Pedersen, 39; Schrock, 38; Bourne, 8; Price, 26

AN ACT relating to educational lands and funds; to provide for submission to the electors of an amendment to the Constitution of Nebraska by amending Article VII, sections 7, 8, and 9, to permit the use of funds dedicated to the schools for common school and early childhood educational purposes; and to provide for the time and manner of submission and the ballot language for submission.

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

Section 1. At the general election in November 2006 the following proposed amendment to the Constitution of Nebraska shall be submitted to the electors of the State of Nebraska for approval or rejection:

To amend Article VII, sections 7, 8, and 9:

VII-7 The following are hereby declared to be perpetual funds for common school purposes, including early childhood educational purposes operated by or distributed through the common schools, of which the annual interest or income only can be appropriated, to wit:

First. Such ~~per cent~~ percent as has been, or may hereafter be, granted by Congress on the sale of lands in this state.

Second. All money arising from the sale or leasing of sections number sixteen and thirty-six in each township in this state, and the lands selected, or that may be selected, in lieu thereof.

Third. The proceeds of all lands that have been, or may hereafter be, granted to this state, where by the terms and conditions of such grant the same are not to be otherwise appropriated.

Fourth. The net proceeds of lands and other property and effects that may come to this state, by escheat or forfeiture, or from unclaimed dividends, or distributive shares of the estates of deceased persons.

Fifth. All other property of any kind now belonging to the perpetual fund.

VII-8 All funds belonging to the state for common school educational purposes, including early childhood educational purposes operated by or distributed through the common schools, the interest and income whereof only are to be used, shall be deemed trust funds. Such funds with the interest and income thereof are hereby solemnly pledged to the purposes for which they are granted and set apart and shall not be transferred to any other fund for other uses. The state shall supply any net aggregate losses thereof realized at the close of each calendar year that may in any manner accrue. Notwithstanding any other provisions in ~~the~~ this Constitution, such funds shall be invested as the Legislature may by statute provide.

VII-9 (1) The following funds shall be exclusively used for the support and maintenance of the common schools in each school district in the state or for early childhood education operated by or distributed through the common schools as provided in subsection (3) of this section, as the Legislature shall provide:

a- (a) Income arising from the perpetual funds;

b- (b) The income from the unsold school lands, except that costs of administration shall be deducted from the income before it is so applied;

e- (c) All other grants, gifts, and devises that have been or may hereafter be made to the state which are not otherwise appropriated by the terms of the grant, gift, or devise; and

d- (d) Such other support as the Legislature may provide.

(2) No distribution or appropriation shall be made to any school district for the year in which school is not maintained for the minimum term required by law.

(3) (a) An early childhood education endowment fund shall be created for the purpose of supporting early childhood education in this state as provided by the Legislature.

(b) An amount equal to forty million dollars of the funds belonging to the state for common school and early childhood educational purposes operated by or distributed through the common schools described in Article VII, section 7, of this Constitution shall be allocated for the early childhood education endowment fund.

(c) Only interest or income on such early childhood education endowment fund may be appropriated as provided by the Legislature for the

benefit of the common schools and for the exclusive purpose of supporting early childhood education in this state.

(d) For purposes of Article VII of this Constitution, early childhood education means programs operated by or distributed through the common schools promoting development and learning for children from birth to kindergarten-entrance age.

(e) If the annual income from twenty million dollars of private funding is not irrevocably committed by July 1, 2011, to the use of the early childhood education endowment fund, then the forty-million-dollar allocation pursuant to subdivision (3)(b) of this section may revert to the use of the common schools as the Legislature shall determine.

Sec. 2. The proposed amendment shall be submitted to the electors in the manner prescribed by the Constitution of Nebraska, Article XVI, section 1, with the following ballot language:

A constitutional amendment to permit use of funds dedicated to the common schools for early childhood educational purposes.

For

Against.