

AMENDMENTS TO LB71

(Amendments to Standing Committee amendments, AM833)

Introduced by Hardin, 48.

1           1. Insert the following new sections:

2           Sec. 8. Section 79-1003, Revised Statutes Cumulative Supplement,  
3           2022, is amended to read:

4           79-1003 For purposes of the Tax Equity and Educational Opportunities  
5           Support Act:

6           (1) Adjusted general fund operating expenditures means the  
7           difference of the general fund operating expenditures increased by the  
8           cost growth factor calculated pursuant to section 79-1007.10, minus the  
9           transportation allowance, special receipts allowance, poverty allowance,  
10          limited English proficiency allowance, distance education and  
11          telecommunications allowance, elementary site allowance, summer school  
12          allowance, community achievement plan allowance, and focus school and  
13          program allowance;

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

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

26          (4) Average daily membership means the average daily membership for

1 grades kindergarten through twelve attributable to the local system, as  
2 provided in each district's annual statistical summary, and includes the  
3 proportionate share of students enrolled in a public school instructional  
4 program on less than a full-time basis;

5 (5) Base fiscal year means the first school fiscal year following  
6 the school fiscal year in which the reorganization or unification  
7 occurred;

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

9 (7) Categorical funds means funds limited to a specific purpose by  
10 federal or state law, including, but not limited to, Title I funds, Title  
11 VI funds, federal career and technical education funds, federal school  
12 lunch funds, Indian education funds, Head Start funds, and funds received  
13 prior to July 1, 2022, from the Nebraska Education Improvement Fund;

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

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

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

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

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

3 (13) Ensuing school fiscal year means the school fiscal year  
4 following the current school fiscal year;

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

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

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

13 (17) Formula students means:

14 (a) For state aid certified pursuant to section 79-1022, the sum of  
15 the product of fall membership from the school fiscal year immediately  
16 preceding the school fiscal year in which the aid is to be paid  
17 multiplied by the average ratio of average daily membership to fall  
18 membership for the second school fiscal year immediately preceding the  
19 school fiscal year in which the aid is to be paid and the prior two  
20 school fiscal years plus sixty percent of the qualified early childhood  
21 education fall membership plus tuitioned students from the school fiscal  
22 year immediately preceding the school fiscal year in which aid is to be  
23 paid minus the product of the number of students enrolled in kindergarten  
24 that is not full-day kindergarten from the fall membership multiplied by  
25 0.5; and

26 (b) For the final calculation of state aid pursuant to section  
27 79-1065, the sum of average daily membership plus sixty percent of the  
28 qualified early childhood education average daily membership plus  
29 tuitioned students minus the product of the number of students enrolled  
30 in kindergarten that is not full-day kindergarten from the average daily  
31 membership multiplied by 0.5 from the school fiscal year immediately

1 preceding the school fiscal year in which aid was paid;

2 (18) Free lunch and free milk calculated students means, using the  
3 most recent data available on November 1 of the school fiscal year  
4 immediately preceding the school fiscal year in which aid is to be paid,  
5 (a) for schools that did not provide free meals to all students pursuant  
6 to the community eligibility provision, students who individually  
7 qualified for free lunches or free milk pursuant to the federal Richard  
8 B. Russell National School Lunch Act, 42 U.S.C. 1751 et seq., and the  
9 federal Child Nutrition Act of 1966, 42 U.S.C. 1771 et seq., as such acts  
10 and sections existed on January 1, 2021, and rules and regulations  
11 adopted thereunder, plus (b) for schools that provided free meals to all  
12 students pursuant to the community eligibility provision, the greater of  
13 the number of students in such school who individually qualified for free  
14 lunch or free milk using the most recent school fiscal year for which the  
15 school did not provide free meals to all students pursuant to the  
16 community eligibility provision or one hundred ten percent of the product  
17 of the students who qualified for free meals at such school pursuant to  
18 the community eligibility provision multiplied by the identified student  
19 percentage calculated pursuant to such federal provision, except that the  
20 free lunch and free milk calculated students for any school pursuant to  
21 subdivision (18)(b) of this section shall not exceed one hundred percent  
22 of the students qualified for free meals at such school pursuant to the  
23 community eligibility provision;

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

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

1 (21) General fund expenditures means all expenditures from the  
2 general fund;

3 (22) General fund operating expenditures means, for state aid  
4 calculated for each school fiscal year, as reported on the annual  
5 financial report for the second school fiscal year immediately preceding  
6 the school fiscal year in which aid is to be paid, the total general fund  
7 expenditures minus (a) the amount of all receipts to the general fund, to  
8 the extent that such receipts are not included in local system formula  
9 resources, from early childhood education tuition, summer school tuition,  
10 educational entities as defined in section 79-1201.01 for providing  
11 distance education courses through the Educational Service Unit  
12 Coordinating Council to such educational entities, private foundations,  
13 individuals, associations, charitable organizations, the textbook loan  
14 program authorized by section 79-734, federal impact aid, and levy  
15 override elections pursuant to section 77-3444, (b) the amount of  
16 expenditures for categorical funds, tuition paid to other school  
17 districts, tuition paid to postsecondary institutions for college credit,  
18 transportation fees paid to other districts, adult education, community  
19 services, redemption of the principal portion of general fund debt  
20 service, retirement incentive plans authorized by section 79-855, and  
21 staff development assistance authorized by section 79-856, (c) the amount  
22 of any transfers from the general fund to any bond fund and transfers  
23 from other funds into the general fund, (d) any legal expenses in excess  
24 of fifteen-hundredths of one percent of the formula need for the school  
25 fiscal year in which the expenses occurred, (e) expenditures to pay for  
26 incentives agreed to be paid by a school district to certificated  
27 employees in exchange for a voluntary termination of employment for which  
28 the State Board of Education approved an exclusion pursuant to  
29 subdivision (1)(h), (i), (j), or (k) of section 79-1028.01, (f)(i)  
30 expenditures to pay for employer contributions pursuant to subsection (2)  
31 of section 79-958 to the School Employees Retirement System of the State

1 of Nebraska to the extent that such expenditures exceed the employer  
2 contributions under such subsection that would have been made at a  
3 contribution rate of seven and thirty-five hundredths percent or (ii)  
4 expenditures to pay for school district contributions pursuant to  
5 subdivision (1)(c)(i) or (1)(d)(i) of section 79-9,113 to the retirement  
6 system established pursuant to the Class V School Employees Retirement  
7 Act to the extent that such expenditures exceed the school district  
8 contributions under such subdivision that would have been made at a  
9 contribution rate of seven and thirty-seven hundredths percent, and (g)  
10 any amounts paid by the district for lobbyist fees and expenses reported  
11 to the Clerk of the Legislature pursuant to section 49-1483.

12 For purposes of this subdivision (22) of this section, receipts from  
13 levy override elections shall equal ninety-nine percent of the difference  
14 of the total general fund levy minus a levy of one dollar and five cents  
15 per one hundred dollars of taxable valuation multiplied by the assessed  
16 valuation for school districts that have voted pursuant to section  
17 77-3444 to override the maximum levy provided pursuant to section  
18 77-3442;

19 (23) Income tax liability means the amount of the reported income  
20 tax liability for resident individuals pursuant to the Nebraska Revenue  
21 Act of 1967 less all nonrefundable credits earned and refunds made;

22 (24) Income tax receipts means the amount of income tax collected  
23 pursuant to the Nebraska Revenue Act of 1967 less all nonrefundable  
24 credits earned and refunds made;

25 (25) Limited English proficiency students means the number of  
26 students with limited English proficiency in a district from the most  
27 recent data available on November 1 of the school fiscal year preceding  
28 the school fiscal year in which aid is to be paid plus the difference of  
29 such students with limited English proficiency minus the average number  
30 of limited English proficiency students for such district, prior to such  
31 addition, for the three immediately preceding school fiscal years if such

1 difference is greater than zero;

2 (26) Local system means a unified system or a school district;

3 (27) Low-income child means a child under nineteen years of age  
4 living in a household having an annual adjusted gross income for the  
5 second calendar year preceding the beginning of the school fiscal year  
6 for which aid is being calculated equal to or less than the maximum  
7 household income pursuant to sections 9(b)(1) and 17(c)(4) of the Richard  
8 B. Russell National School Lunch Act, 42 U.S.C. 1758(b)(1) and 42 U.S.C.  
9 1766(c)(4), respectively, and sections 3(a)(6) and 4(e)(1)(A) of the  
10 Child Nutrition Act of 1966, 42 U.S.C. 1772(a)(6) and 42 U.S.C. 1773(e)  
11 (1)(A), respectively, as such acts and sections existed on January 1,  
12 2021, for a household of that size that would have allowed the child to  
13 meet the income qualifications for free meals during the school fiscal  
14 year immediately preceding the school fiscal year for which aid is being  
15 calculated;

16 (28) Low-income students means the number of low-income children  
17 within the district multiplied by the ratio of the formula students in  
18 the district divided by the total children under nineteen years of age  
19 residing in the district as derived from income tax information;

20 (29) Most recently available complete data year means the most  
21 recent single school fiscal year for which the annual financial report,  
22 fall school district membership report, annual statistical summary,  
23 Nebraska income tax liability by school district for the calendar year in  
24 which the majority of the school fiscal year falls, and adjusted  
25 valuation data are available;

26 (30) Poverty students means the unadjusted poverty students plus the  
27 difference of such unadjusted poverty students minus the average number  
28 of poverty students for such district, prior to such addition, for the  
29 three immediately preceding school fiscal years if such difference is  
30 greater than zero;

31 (31) Qualified early childhood education average daily membership

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

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

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

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

31 (35) School year or school fiscal year means the fiscal year of a



1 school district as defined in section 79-1091;

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

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

9 (b)(i) Less than one and one-half formula students per square mile  
10 in the local system and (ii) more than fifteen miles between each high  
11 school and the next closest high school 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 is located in the local system;

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

22 (38) Special grant funds means the budgeted receipts for grants,  
23 including, but not limited to, categorical funds, reimbursements for  
24 wards of the court, short-term borrowings including, but not limited to,  
25 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) State aid means the amount of assistance paid to a district  
30 pursuant to the Tax Equity and Educational Opportunities Support Act;

31 (40) State board means the State Board of Education;

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

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

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

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

12 (45) Tuition receipts from converted contracts means tuition  
13 receipts received by a district from another district in the most  
14 recently available complete data year pursuant to a converted contract  
15 prior to the expiration of the contract;

16 (46) Tuitioned students means students in kindergarten through grade  
17 twelve of the district whose tuition is paid by the district to some  
18 other district or education agency;

19 (47) Unadjusted poverty students means the greater of the number of  
20 low-income students or the free lunch and free milk calculated students  
21 in a district; and

22 (48) Very sparse local system means a local system that has:

23 (a)(i) Less than one-half student per square mile in each county in  
24 which each high school is located based on the school district census,  
25 (ii) less than one formula student per square mile in the local system,  
26 and (iii) more than fifteen miles between the high school and the next  
27 closest high school on paved roads; or

28 (b)(i) More than four hundred fifty square miles in the local  
29 system, (ii) less than one-half student per square mile in the local  
30 system, and (iii) more than fifteen miles between each high school and  
31 the next closest high school on paved roads.

1           Sec. 9. Section 79-1101, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3           79-1101 (1) The Legislature finds and declares that: (a) Early  
4 childhood education programs can assist children in achieving their  
5 potential as citizens, workers, and human beings and can strengthen  
6 families; (b) early childhood education has been proven to be a sound  
7 public investment of funds not only in assuring productive, taxpaying  
8 workers in the economy but also in avoidance of increasingly expensive  
9 social costs for those who drop out as productive members of society; (c)  
10 the key ingredient in an effective early childhood education program is a  
11 strong family development and support component because the role of the  
12 parent is of critical importance; (d) while all children can benefit from  
13 quality, developmentally appropriate early childhood education  
14 experiences, such experiences are especially important for at-risk  
15 infants and children; (e) current early childhood education programs  
16 serve only a fraction of Nebraska's children and the quality of current  
17 programs varies widely; (f) well-designed early childhood education  
18 programs increase the likelihood that children who participate will enter  
19 school prepared to achieve high standards; (g) effective early childhood  
20 education programs require staff with knowledge about child growth,  
21 development, and learning and family systems; and (h) both public and  
22 nonpublic programs which meet recognized standards of quality can address  
23 the growth, development, and learning needs of young children.

24           (2) (2)(a) It is the intent of the Legislature and the public policy  
25 of this state to encourage schools and community-based organizations to  
26 work together to provide high-quality early childhood education programs  
27 for infants and young children which include family involvement, with the  
28 goal of assuring that every family in Nebraska has access to such  
29 programs for, at the minimum, both the school year prior to the school  
30 year for which the child will be eligible to attend kindergarten and the  
31 school year prior to the school year for which the child will be required

1 to attend kindergarten if such child has not already enrolled in  
2 kindergarten. The purposes of sections 79-1101 to 79-1104.05 are to  
3 provide state assistance to selected school districts, cooperatives of  
4 school districts, and educational service units for early childhood  
5 education, to encourage coordination between public and private service  
6 providers of early childhood education and child care programs, and to  
7 provide state support for efforts to improve training opportunities for  
8 staff in such programs.

9 ~~(b) It is the further intent of the Legislature that any additional~~  
10 ~~funds appropriated on or after January 1, 2014, for FY2014-15 for early~~  
11 ~~childhood education grants pursuant to section 79-1103 be used to assist~~  
12 ~~schools and community-based organizations in working together to expand~~  
13 ~~the access to such high-quality early childhood education programs for~~  
14 ~~children for the school year prior to the school year for which the child~~  
15 ~~will be eligible to attend kindergarten and that the unobligated balance~~  
16 ~~of any such funds be reappropriated for such purpose for FY2015-16 and~~  
17 ~~FY2016-17.~~

18 (3) For purposes of sections 79-1101 to 79-1104.05:

19 (a) Board of trustees means the Early Childhood Education Endowment  
20 Board of Trustees;

21 (b) Early childhood education program means any prekindergarten  
22 part-day or full-day program or in-home family support program with a  
23 stated purpose of promoting social, emotional, intellectual, language,  
24 physical, and aesthetic development and learning for children from birth  
25 to compulsory kindergarten-entrance age and family development and  
26 support;

27 (c) Endowment agreement means an agreement between the State  
28 Department of Education and an endowment provider entered into pursuant  
29 to section 79-1104.01; and

30 (d) Endowment provider means an endowment that has met the criteria  
31 described in section 79-1104.01 and that has entered into an endowment

1 agreement.

2       Sec. 10. Section 79-1103, Reissue Revised Statutes of Nebraska, is  
3 amended to read:

4       79-1103 (1)(a) The State Department of Education shall establish and  
5 administer the Early Childhood Education Grant Program. Upon the  
6 effective date of an endowment agreement, administration of the Early  
7 Childhood Education Grant Program with respect to programs for children  
8 from birth to age three shall transfer to the board of trustees. If there  
9 is no endowment agreement in effect, the department shall request  
10 proposals in accordance with this section for all early childhood  
11 education programs from school districts, individually or in cooperation  
12 with other school districts or educational service units, working in  
13 cooperation with existing nonpublic programs which meet the requirements  
14 of subsection (2) of section 79-1104. If there is an endowment agreement  
15 in effect, the board of trustees shall administer the Early Childhood  
16 Education Grant Program with respect to programs for children from birth  
17 to age three pursuant to section 79-1104.02 and the department shall  
18 continue to administer the Early Childhood Education Grant Program with  
19 respect to other prekindergarten programs pursuant to sections 79-1101 to  
20 79-1104.05. All administrative procedures of the board of trustees,  
21 including, but not limited to, rules, grant applications, and funding  
22 mechanisms, shall harmonize with those established by the department for  
23 other prekindergarten programs.

24       (b) The first priority shall be for (i) continuation grants for  
25 programs that received grants in the prior school fiscal year and for  
26 which the state aid calculation pursuant to the Tax Equity and  
27 Educational Opportunities Support Act does not include early childhood  
28 education students, in an amount equal to the amount of such grant,  
29 except that if the grant was a first-year grant the amount shall be  
30 reduced by thirty-three percent, (ii) continuation grants for programs  
31 for which the state aid calculation pursuant to the act includes early

1 childhood education students, in an amount equal to the amount of the  
2 grant for the school fiscal year prior to the first school fiscal year  
3 for which early childhood education students were included in the state  
4 aid calculation for the school district's local system minus the  
5 calculated state aid amount, and (iii) for school fiscal year 2007-08,  
6 continuation grants for programs for which the state aid calculation  
7 pursuant to the act includes early childhood education students, but such  
8 state aid calculation does not result in the school district receiving  
9 any equalization aid, in an amount equal to the amount of the grant  
10 received in school fiscal year 2006-07. The calculated state aid amount  
11 shall be calculated by multiplying the basic funding per formula student  
12 for the school district by the formula students attributed to the early  
13 childhood education programs pursuant to the Tax Equity and Educational  
14 Opportunities Support Act.

15 (c) The second priority shall be for new grants and expansion grants  
16 for programs that will serve at-risk children who will be eligible or  
17 required to attend kindergarten the following school year. New grants may  
18 be given for up to three years in an amount up to one-half of the total  
19 budget of the program per year. Expansion grants may be given for one  
20 year in an amount up to one-half of the budget for expanding the capacity  
21 of the program to serve additional children.

22 (d) The third priority shall be for new grants, expansion grants,  
23 and continuation grants for programs serving children younger than those  
24 who will be eligible or required to attend kindergarten the following  
25 school year. New grants may be given for up to three years in an amount  
26 up to one-half the total budget of the program per year. Expansion grants  
27 may be given for one year in an amount up to one-half the budget for  
28 expanding the capacity of the program to serve additional children.  
29 Continuation grants under this priority may be given annually in an  
30 amount up to one-half the total budget of the program per year minus any  
31 continuation grants received under the first priority.

1 (e) Programs serving children who will be eligible or required to  
2 attend kindergarten the following school year shall be accounted for  
3 separately for grant purposes from programs serving younger children, but  
4 the two types of programs may be combined within the same classroom to  
5 serve multi-age children. Programs that receive grants for school fiscal  
6 years prior to school fiscal year 2005-06 to serve both children who will  
7 be eligible or required to attend kindergarten the following school year  
8 and younger children shall account for the two types of programs  
9 separately for grant purposes beginning with school year 2005-06 and  
10 shall be deemed to have received grants prior to school fiscal year  
11 2005-06 for each year that grants were received for the types of programs  
12 representing the age groups of the children served.

13 (2) Each program proposal which is approved by the department shall  
14 include (a) a planning period, (b) an agreement to participate in  
15 periodic evaluations of the program to be specified by the department,  
16 (c) evidence that the program will be coordinated or contracted with  
17 existing programs, including those listed in subdivision (d) of this  
18 subsection and nonpublic programs which meet the requirements of  
19 subsection (2) of section 79-1104, (d) a plan to coordinate and use a  
20 combination of local, state, and federal funding sources, including, but  
21 not limited to, programs for children with disabilities below six ~~five~~  
22 years of age funded through the Special Education Act, the Early  
23 Intervention Act, funds available through the flexible funding provisions  
24 under the Special Education Act, the federal Head Start program, 42  
25 U.S.C. 9831 et seq., the federal Even Start Family Literacy Program, 20  
26 U.S.C. 6361 et seq., Title I of the federal Improving America's Schools  
27 Act of 1994, 20 U.S.C. 6301 et seq., and child care assistance through  
28 the Department of Health and Human Services, (e) a plan to use sliding  
29 fee scales and the funding sources included in subdivision (d) of this  
30 subsection to maximize the participation of economically and  
31 categorically diverse groups and to ensure that participating children

1 and families have access to comprehensive services, (f) the establishment  
2 of an advisory body which includes families and community members, (g)  
3 the utilization of appropriately qualified staff, (h) an appropriate  
4 child-to-staff ratio, (i) appropriate group size, (j) compliance with  
5 minimum health and safety standards, (k) appropriate facility size and  
6 equipment, (l) a strong family development and support component  
7 recognizing the central role of parents in their children's development,  
8 (m) developmentally and culturally appropriate curriculum, practices, and  
9 assessment, (n) sensitivity to the economic and logistical needs and  
10 circumstances of families in the provision of services, (o) integration  
11 of children of diverse social and economic characteristics, (p) a sound  
12 evaluation component, including at least one objective measure of child  
13 performance and progress, (q) continuity with programs in kindergarten  
14 and elementary grades, (r) instructional hours that are similar to or  
15 less than the instructional hours for kindergarten except that a summer  
16 session may be offered, (s) well-defined language development and early  
17 literacy emphasis, including the involvement of parents in family  
18 literacy activities, (t) a plan for ongoing professional development of  
19 staff, and (u) inclusion of children with disabilities as defined in the  
20 Special Education Act, all as specified by rules and regulations of the  
21 department in accordance with sound early childhood educational practice.

22 (3) The department shall make an effort to fund programs widely  
23 distributed across the state in both rural and urban areas.

24 (4) The department, in collaboration with the board of trustees if  
25 an endowment agreement is in effect, shall provide a report evaluating  
26 the programs to the State Board of Education and the Legislature by  
27 January 1 of each odd-numbered year. The report submitted to the  
28 Legislature shall be submitted electronically. The Education Committee of  
29 the Legislature shall hold a public hearing regarding the report. Up to  
30 five percent of the total appropriation for the Early Childhood Education  
31 Grant Program for grants administered by the department may be reserved



1 by the department for evaluation and technical assistance for the  
2 programs.

3 (5) Early childhood education programs, whether established pursuant  
4 to this section or section 79-1104, may be approved for purposes of the  
5 Tax Equity and Educational Opportunities Support Act, expansion grants,  
6 and continuation grants on the submission of a continuation plan  
7 demonstrating that the program will meet the requirements of subsection  
8 (2) of this section and a proposed operating budget demonstrating that  
9 the program will receive resources from other sources equal to or greater  
10 than the sum of any grant received pursuant to this section for the prior  
11 school year plus any calculated state aid as calculated pursuant to  
12 subsection (1) of this section for the prior school year.

13 (6) The State Board of Education may adopt and promulgate rules and  
14 regulations to implement the Early Childhood Education Grant Program,  
15 except that if there is an endowment agreement in effect, the board of  
16 trustees shall recommend any rules and regulations relating specifically  
17 to the Early Childhood Education Grant Program with respect to programs  
18 for children from birth to age three. It is the intent of the Legislature  
19 that the rules and regulations for programs for children from birth to  
20 age three be consistent to the greatest extent possible with those  
21 established for other prekindergarten programs.

22 2. Renumber the remaining section and correct the repealer  
23 accordingly.