

AMENDMENTS TO LB519

Introduced by Education.

1           1. Strike the original sections and insert the following new  
2 sections:

3           Section 1. Section 9-812, Revised Statutes Cumulative Supplement,  
4 2014, is amended to read:

5           9-812 (1) All money received from the operation of lottery games  
6 conducted pursuant to the State Lottery Act in Nebraska shall be credited  
7 to the State Lottery Operation Trust Fund, which fund is hereby created.  
8 All payments of the costs of establishing and maintaining the lottery  
9 games shall be made from the State Lottery Operation Cash Fund. In  
10 accordance with legislative appropriations, money for payments for  
11 expenses of the division shall be transferred from the State Lottery  
12 Operation Trust Fund to the State Lottery Operation Cash Fund, which fund  
13 is hereby created. All money necessary for the payment of lottery prizes  
14 shall be transferred from the State Lottery Operation Trust Fund to the  
15 State Lottery Prize Trust Fund, which fund is hereby created. The amount  
16 used for the payment of lottery prizes shall not be less than forty  
17 percent of the dollar amount of the lottery tickets which have been sold.

18           (2) A portion of the dollar amount of the lottery tickets which have  
19 been sold on an annualized basis shall be transferred from the State  
20 Lottery Operation Trust Fund to the Education Innovation Fund, the  
21 Nebraska Opportunity Grant Fund, the Nebraska Education Improvement Fund,  
22 the Nebraska Environmental Trust Fund, the Nebraska State Fair Board, and  
23 the Compulsive Gamblers Assistance Fund as provided in subsection (3) of  
24 this section. The dollar amount transferred pursuant to this subsection  
25 shall equal the greater of (a) the dollar amount transferred to the funds  
26 in fiscal year 2002-03 or (b) any amount which constitutes at least  
27 twenty-two percent and no more than twenty-five percent of the dollar

1 amount of the lottery tickets which have been sold on an annualized  
2 basis. To the extent that funds are available, the Tax Commissioner and  
3 director may authorize a transfer exceeding twenty-five percent of the  
4 dollar amount of the lottery tickets sold on an annualized basis.

5 (3) Of the money available to be transferred to the Education  
6 Innovation Fund, the Nebraska Opportunity Grant Fund, the Nebraska  
7 Education Improvement Fund, the Nebraska Environmental Trust Fund, the  
8 Nebraska State Fair Board, and the Compulsive Gamblers Assistance Fund:

9 (a) The first five hundred thousand dollars shall be transferred to  
10 the Compulsive Gamblers Assistance Fund to be used as provided in section  
11 9-1006;

12 (b) Beginning July 1, 2016, forty-four and one-half percent of the  
13 money remaining after the payment of prizes and operating expenses and  
14 the initial transfer to the Compulsive Gamblers Assistance Fund shall be  
15 transferred to the Nebraska Education Improvement Fund;

16 (c) Through June 30, 2016, nineteen and three-fourths percent of the  
17 money remaining after the payment of prizes and operating expenses and  
18 the initial transfer to the Compulsive Gamblers Assistance Fund shall be  
19 transferred to the Education Innovation Fund;

20 (d) Through June 30, 2016, twenty-four and three-fourths percent of  
21 the money remaining after the payment of prizes and operating expenses  
22 and the initial transfer to the Compulsive Gamblers Assistance Fund shall  
23 be transferred to the Nebraska Opportunity Grant Fund;

24 (e) Forty-four and one-half percent of the money remaining after the  
25 payment of prizes and operating expenses and the initial transfer to the  
26 Compulsive Gamblers Assistance Fund shall be transferred to the Nebraska  
27 Environmental Trust Fund to be used as provided in the Nebraska  
28 Environmental Trust Act;

29 (f) Ten percent of the money remaining after the payment of prizes  
30 and operating expenses and the initial transfer to the Compulsive  
31 Gamblers Assistance Fund shall be transferred to the Nebraska State Fair

1 Board if the most populous city within the county in which the fair is  
2 located provides matching funds equivalent to ten percent of the funds  
3 available for transfer. Such matching funds may be obtained from the city  
4 and any other private or public entity, except that no portion of such  
5 matching funds shall be provided by the state. If the Nebraska State Fair  
6 ceases operations, ten percent of the money remaining after the payment  
7 of prizes and operating expenses and the initial transfer to the  
8 Compulsive Gamblers Assistance Fund shall be transferred to the General  
9 Fund; and

10 (g) One percent of the money remaining after the payment of prizes  
11 and operating expenses and the initial transfer to the Compulsive  
12 Gamblers Assistance Fund shall be transferred to the Compulsive Gamblers  
13 Assistance Fund to be used as provided in section 9-1006.

14 (4)(a) The Education Innovation Fund is created. At least seventy-  
15 five percent of the lottery proceeds allocated to the Education  
16 Innovation Fund shall be available for disbursement.

17 ~~(b) For fiscal year 2013-14, the Education Innovation Fund shall be~~  
18 ~~allocated as follows: (i) The first one million dollars shall be~~  
19 ~~transferred to the Excellence in Teaching Cash Fund to fund the~~  
20 ~~Excellence in Teaching Act; (ii) the next allocation shall be distributed~~  
21 ~~to local systems as grants for approved accelerated or differentiated~~  
22 ~~curriculum programs for students identified as learners with high ability~~  
23 ~~pursuant to section 79-1108.02 in an aggregated amount up to the amount~~  
24 ~~distributed in the prior fiscal year for such purposes increased by the~~  
25 ~~basic allowable growth rate pursuant to section 79-1025; (iii) up to the~~  
26 ~~next one hundred sixty thousand dollars shall be used by the State~~  
27 ~~Department of Education to implement section 79-759; (iv) the next one~~  
28 ~~million seven hundred fifty thousand dollars shall be allocated to early~~  
29 ~~childhood education grants awarded by the department pursuant to section~~  
30 ~~79-1103; (v) the next one million dollars shall be transferred to the~~  
31 ~~Early Childhood Education Endowment Cash Fund for use pursuant to section~~

1 ~~79-1104.02; (vi) the next two hundred thousand dollars shall be used to~~  
2 ~~provide grants to establish bridge programs pursuant to sections 79-1189~~  
3 ~~to 79-1195; (vii) the next ten thousand dollars shall be used to fund the~~  
4 ~~Interstate Compact on Educational Opportunity for Military Children;~~  
5 ~~(viii) the next eighty five thousand five hundred fifty dollars shall be~~  
6 ~~allocated to the State Department of Education for distribution pursuant~~  
7 ~~to section 79-2306; and (ix) the amount remaining shall be allocated,~~  
8 ~~after administrative expenses, for distance education equipment and~~  
9 ~~incentives pursuant to sections 79-1336 and 79-1337. No funds received as~~  
10 ~~allocations from the Education Innovation Fund pursuant to this~~  
11 ~~subdivision may be obligated for payment to be made after June 30, 2016.~~

12 (b e) For fiscal year 2014-15, the Education Innovation Fund shall  
13 be allocated, after administrative expenses, as follows: (i) The first  
14 one million two hundred thousand dollars shall be transferred to the  
15 Excellence in Teaching Cash Fund to fund the Excellence in Teaching Act;  
16 (ii) the next allocation shall be distributed to local systems as grants  
17 for approved accelerated or differentiated curriculum programs for  
18 students identified as learners with high ability pursuant to section  
19 79-1108.02 in an aggregated amount up to the amount distributed in the  
20 prior fiscal year for such purposes increased by the basic allowable  
21 growth rate pursuant to section 79-1025; (iii) the next one million eight  
22 hundred fifty thousand dollars shall be allocated to early childhood  
23 education grants awarded by the State Department of Education pursuant to  
24 section 79-1103; (iv) the next one million dollars shall be transferred  
25 to the Early Childhood Education Endowment Cash Fund for use pursuant to  
26 section 79-1104.02; (v) the next two hundred thousand dollars shall be  
27 used to provide grants to establish bridge programs pursuant to sections  
28 79-1189 to 79-1195; (vi) the next ten thousand dollars shall be used to  
29 fund the Interstate Compact on Educational Opportunity for Military  
30 Children; (vii) the next two million dollars shall be allocated for  
31 distance education equipment and incentives pursuant to sections 79-1336

1 and 79-1337; (viii) the next one million dollars shall be transferred to  
2 the School District Reorganization Fund; (ix) up to the next one hundred  
3 forty-five thousand dollars shall be used by the State Department of  
4 Education to implement section 79-759; and (x) the next three hundred  
5 thirty-five thousand dollars shall be allocated to local systems as  
6 grants awarded by the State Department of Education to assist schools in  
7 evaluating and improving career education programs to align such programs  
8 with the state's economic and workforce needs. Except for funds  
9 transferred to the School District Reorganization Fund, the Early  
10 Childhood Education Endowment Cash Fund, or the department for early  
11 childhood education grants pursuant to section 79-1103, no funds received  
12 as allocations from the Education Innovation Fund pursuant to this  
13 subdivision may be obligated for payment to be made after June 30, 2016,  
14 and such funds received as transfers or allocations from the Education  
15 Innovation Fund that have not been used for their designated purpose as  
16 of such date shall be transferred to the Nebraska Education Improvement  
17 Fund on or before August 1, 2016.

18 (c) For fiscal year 2015-16, the Education Innovation Fund shall  
19 be allocated, after administrative expenses, as follows: (i) The first  
20 one million two hundred thousand dollars shall be transferred to the  
21 Excellence in Teaching Cash Fund to fund the Excellence in Teaching Act;  
22 (ii) the next allocation shall be distributed to local systems as grants  
23 for approved accelerated or differentiated curriculum programs for  
24 students identified as learners with high ability pursuant to section  
25 79-1108.02 in an aggregated amount up to the amount distributed in the  
26 prior fiscal year for such purposes increased by the basic allowable  
27 growth rate pursuant to section 79-1025; (iii) the next one million nine  
28 hundred fifty thousand dollars shall be allocated to early childhood  
29 education grants awarded by the State Department of Education pursuant to  
30 section 79-1103; (iv) the next one million dollars shall be transferred  
31 to the Early Childhood Education Endowment Cash Fund for use pursuant to

1 section 79-1104.02; (v) the next ten thousand dollars shall be used to  
2 fund the Interstate Compact on Educational Opportunity for Military  
3 Children; (vi) the next two million five hundred thousand dollars shall  
4 be allocated for distance education equipment and incentives pursuant to  
5 sections 79-1336 and 79-1337; (vii) the next one million dollars shall be  
6 transferred to the School District Reorganization Fund; (viii) up to the  
7 next one hundred forty-five thousand dollars shall be used by the State  
8 Department of Education to implement section 79-759; and (ix) of the  
9 amount remaining, (A) three million dollars shall be retained in the  
10 Education Innovation Fund to transfer to the Nebraska Education  
11 Improvement Fund on June 30, 2016, and (B) the remaining amount shall be  
12 allocated to local systems as grants awarded by the State Department of  
13 Education to assist schools in evaluating and improving career education  
14 programs to align such programs with the state's economic and workforce  
15 needs. Except for funds transferred to the School District Reorganization  
16 Fund, the Early Childhood Education Endowment Cash Fund, or the  
17 department for early childhood education grants pursuant to section  
18 79-1103, no funds received as allocations from the Education Innovation  
19 Fund pursuant to this subdivision may be obligated for payment to be made  
20 after June 30, 2016, and such funds received as transfers or allocations  
21 from the Education Innovation Fund that have not been used for their  
22 designated purpose as of such date shall be transferred to the Nebraska  
23 Education Improvement Fund on or before August 1, 2016.

24 (d e) The Education Innovation Fund terminates on June 30, 2016. Any  
25 money in the fund on such date shall be transferred to the Nebraska  
26 Education Improvement Fund on such date.

27 (5) The Nebraska Education Improvement Fund is created. The fund  
28 shall consist of money transferred pursuant to subsections (3) and (4) of  
29 this section, money transferred pursuant to section 85-1920, and any  
30 other funds appropriated by the Legislature. The fund shall be allocated  
31 as provided in this section for fiscal years 2016-17 through 2020-21. On

1 or before December 31, 2019, the Education Committee of the Legislature  
2 shall electronically submit recommendations to the Clerk of the  
3 Legislature regarding how the fund should be allocated to best advance  
4 the educational priorities of the state for the five-year period  
5 beginning with fiscal year 2021-22. For fiscal years 2016-17 through  
6 2020-21, ten percent of the available balance for any fiscal year shall  
7 be retained in the fund with ninety percent of the fund allocated as  
8 follows: Any money in the fund available for investment shall be invested  
9 by the state investment officer pursuant to the Nebraska Capital  
10 Expansion Act and the Nebraska State Funds Investment Act.

11 (a) One percent of the allocated funds to the State Department of  
12 Education to carry out the Expanded Learning Opportunity Grant Program  
13 Act;

14 (b) Ten percent of the allocated funds to the State Board of  
15 Education for competitive innovation grants pursuant to section 2 of this  
16 act;

17 (c) Ten percent of the allocated funds to the Coordinating  
18 Commission for Postsecondary Education for competitive innovation grants  
19 pursuant to section 3 of this act;

20 (d) Nine percent of the allocated funds to the Community College Gap  
21 Assistance Program Fund to carry out the Community College Gap Assistance  
22 Program;

23 (e) Eight percent of the allocated funds to the Excellence in  
24 Teaching Cash Fund to carry out the Excellence in Teaching Act; and

25 (f) Sixty-two percent of the allocated funds to the Nebraska  
26 Opportunity Grant Fund to carry out the Nebraska Opportunity Grant Act in  
27 conjunction with appropriations from the General Fund.

28 (6) Any money in the State Lottery Operation Trust Fund, the State  
29 Lottery Operation Cash Fund, the State Lottery Prize Trust Fund, the  
30 Nebraska Education Improvement Fund, or the Education Innovation Fund  
31 available for investment shall be invested by the state investment

1 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska  
2 State Funds Investment Act.

3 (7) Unclaimed prize money on a winning lottery ticket shall be  
4 retained for a period of time prescribed by rules and regulations. If no  
5 claim is made within such period, the prize money shall be used at the  
6 discretion of the Tax Commissioner for any of the purposes prescribed in  
7 this section.

8 Sec. 2. (1) The State Board of Education shall establish a  
9 competitive innovation grant program with funding from the Nebraska  
10 Education Improvement Fund pursuant to section 9-812. Grantees shall be a  
11 school district, an educational service unit, or a combination of  
12 entities that includes at least one school district or educational  
13 service unit. For grantees that consist of a combination of entities, a  
14 participating school district or educational service unit shall be  
15 designated to act as the fiscal agent and administer the program funded  
16 by the grant. The state board shall only award grants pursuant to  
17 applications that the state board deems to be sufficiently innovative and  
18 to have a high chance of success.

19 (2) An application for a grant pursuant to subsection (1) of this  
20 section shall describe:

21 (a) Specific measurable objectives for improving education outcomes  
22 for early childhood students, elementary students, middle school  
23 students, or high school students or for improving the transitions  
24 between any successive stages of education or between education and the  
25 workforce;

26 (b) The method for annually evaluating progress toward a measurable  
27 objective, with a summative evaluation of progress submitted to the state  
28 board and electronically to the Education Committee of the Legislature on  
29 or before July 1, 2019;

30 (c) The potential for the project to be both scalable and  
31 replicable; and



1       (d) Any cost savings that could be achieved by reductions in other  
2 programs if the funded program is successful.

3       (3) Based on evaluations received on or before July 1, 2019, for  
4 each grant, the State Board of Education shall recommend the grant  
5 project as:

6       (a) Representing a best practice;

7       (b) A model for a state-supported program; or

8       (c) A local issue for further study.

9       (4) For grant projects that are recommended as best practices, the  
10 State Board of Education may establish criteria allowing such best  
11 practices to be included in the best practices allowance to school  
12 districts pursuant to section 12 of this act beginning with aid  
13 calculated for school fiscal year 2021-22. The criteria shall:

14       (a) Specify qualifications for a school district to participate in  
15 the best practices allowance for each best practice to be included in the  
16 allowance;

17       (b) Specify a best practices dollar amount based on eighty-five  
18 percent of the estimated costs related to each best practice included in  
19 the allowance that would not otherwise be incurred without the best  
20 practice, that do not replace other such costs, and that are not included  
21 in another allowance;

22       (c) Specify an accountability process which will result in a future  
23 aid correction if a school district is found to be in violation of any of  
24 the qualifications; and

25       (d) Specify any other criteria deemed relevant by the state board.

26       (5) On or before November 1, 2020, and on or before November 1 of  
27 each year thereafter, the department shall certify to each qualifying  
28 school district the amount of the best practices cost pursuant to this  
29 section for such school district and the total best practices cost for  
30 all qualifying school districts to be included in the calculation of  
31 state aid for the next school fiscal year.

1           (6) On or before December 1, 2017, and on or before December 1 of  
2 each year thereafter, the state board shall electronically submit a  
3 report to the Clerk of the Legislature on all such grants, including, but  
4 not limited to, the results of the evaluations for each grant and on the  
5 best practices allowance if the allowance has been implemented. No more  
6 than five percent of the funds received from the Nebraska Education  
7 Improvement Fund shall be retained for administration. The state board  
8 may adopt and promulgate rules and regulations to carry out this section,  
9 including, but not limited to, application procedures, selection  
10 procedures, and annual evaluation reporting procedures.

11           Sec. 3. (1) The Coordinating Commission for Postsecondary Education  
12 shall establish a competitive innovation grant program with funding from  
13 the Nebraska Education Improvement Fund pursuant to section 9-812.  
14 Grantees shall be public postsecondary educational institutions or  
15 combinations of entities that include at least one public postsecondary  
16 educational institution. For grantees that consist of a combination of  
17 entities, a participating public postsecondary educational institution  
18 shall be designated to act as the fiscal agent and administer the program  
19 funded by the grant. The commission shall only award grants pursuant to  
20 applications that the commission deems to be sufficiently innovative and  
21 to have a high chance of success.

22           (2) Applications shall describe:

23           (a) Specific measurable objectives for improving postsecondary  
24 education or transitions into postsecondary education or into the  
25 workforce;

26           (b) The method for annually evaluating progress toward a measurable  
27 objective, with a summative evaluation of progress submitted to the  
28 Coordinating Commission for Postsecondary Education and electronically to  
29 the Education Committee of the Legislature on or before July 1, 2019;

30           (c) The potential for the project to be both scalable and  
31 replicable; and

1        (d) Any cost savings that could be achieved by reductions in other  
2 programs if the funded program is successful.

3        (3) Following the final evaluation for each grant, the commission  
4 shall recommend the grant project as:

5        (a) Representing a best practice;

6        (b) A model for a state-supported program; or

7        (c) An institutional issue for further study.

8        (4) On or before December 1, 2017, and on or before each December 1  
9 thereafter through 2021, the commission shall electronically submit a  
10 report to the Clerk of the Legislature on all such grants, including, but  
11 not limited to, the results of the evaluations for each grant. No more  
12 than five percent of the funds received from the Nebraska Education  
13 Improvement Fund shall be retained for administration. The commission may  
14 adopt and promulgate rules and regulations to carry out this section,  
15 including, but not limited to, application procedures, selection  
16 procedures, and annual evaluation reporting procedures.

17        Sec. 4. Section 79-8,134, Reissue Revised Statutes of Nebraska, is  
18 amended to read:

19        79-8,134 The purposes of the Attracting Excellence to Teaching  
20 Program are to:

21        (1) Attract outstanding students to major in shortage areas at the  
22 teacher education programs of Nebraska's postsecondary educational  
23 institutions;

24        (2) Retain resident students and graduates as teachers in the  
25 accredited school districts, educational services units, and private  
26 schools or approved public and private schools of Nebraska; and

27        (3) Establish a loan contract that requires a borrower to obtain  
28 employment as a teacher in this state after graduation.

29        Sec. 5. Section 79-8,137, Reissue Revised Statutes of Nebraska, is  
30 amended to read:

31        79-8,137 (1)(a) Prior to receiving any money from a loan pursuant to

1 the Attracting Excellence to Teaching Program, an eligible student shall  
2 enter into a contract with the department. ~~Such contract shall provide~~  
3 ~~notice to the eligible student that funding for loans pursuant to the~~  
4 ~~Attracting Excellence to Teaching Program terminates on June 30, 2016.~~  
5 Such contract shall be exempt from the requirements of sections 73-501 to  
6 73-510.

7 (b) For eligible students who applied for the first time prior to  
8 April 23, 2009, the contract shall require that if (i) the borrower is  
9 not employed as a teacher in Nebraska for a time period equal to the  
10 number of years required for loan forgiveness pursuant to subsection (2)  
11 of this section and is not enrolled as a full-time student in a graduate  
12 program within six months after obtaining an undergraduate degree for  
13 which a loan from the program was obtained or (ii) the borrower does not  
14 complete the requirements for graduation within five consecutive years  
15 after receiving the initial loan under the program, then the loan must be  
16 repaid, with interest at the rate fixed pursuant to section 45-103  
17 accruing as of the date the borrower signed the contract, and an  
18 appropriate penalty as determined by the department may be assessed. If a  
19 borrower fails to remain enrolled at an eligible institution or otherwise  
20 fails to meet the requirements of an eligible student, repayment of the  
21 loan shall commence within six months after such change in eligibility.  
22 The State Board of Education may by rules and regulations provide for  
23 exceptions to the conditions of repayment pursuant to this subdivision  
24 based upon mitigating circumstances.

25 (c) For eligible students who apply for the first time on or after  
26 April 23, 2009, the contract shall require that if (i) the borrower is  
27 not employed as a full-time teacher teaching in an approved or accredited  
28 school in Nebraska and teaching at least a portion of the time in the  
29 shortage area for which the loan was received for a time period equal to  
30 the number of years required for loan forgiveness pursuant to subsection  
31 (3) of this section or ~~and~~ is not enrolled as a full-time student in a

1 graduate program within six months after obtaining an undergraduate  
2 degree for which a loan from the program was obtained or (ii) the  
3 borrower does not complete the requirements for graduation within five  
4 consecutive years after receiving the initial loan under the program,  
5 then the loan shall be repaid with interest at the rate fixed pursuant to  
6 section 45-103 accruing as of the date the borrower signed the contract  
7 and actual collection costs as determined by the department. If a  
8 borrower fails to remain enrolled at an eligible institution or otherwise  
9 fails to continue to be an eligible student, repayment of the loan shall  
10 commence within six months after such change in eligibility. The State  
11 Board of Education may by rule and regulation provide for exceptions to  
12 the conditions of repayment pursuant to this subdivision based upon  
13 mitigating circumstances.

14 (2) If the borrower applied for the first time prior to April 23,  
15 2009, and (a) successfully completes the teacher education program and  
16 becomes certified pursuant to sections 79-806 to 79-815, (b) becomes  
17 employed as a teacher in this state within six months of becoming  
18 certified, and (c) otherwise meets the requirements of the contract,  
19 payments shall be suspended for the number of years that the borrower is  
20 required to remain employed as a teacher in this state under the  
21 contract. For each year that the borrower teaches in Nebraska pursuant to  
22 the contract, payments shall be forgiven in an amount equal to the amount  
23 borrowed for one year, except that if the borrower teaches in a school  
24 district that is in a local system classified as very sparse as defined  
25 in section 79-1003 or teaches in a school district in which at least  
26 forty percent of the students are poverty students as defined in section  
27 79-1003, payments shall be forgiven each year in an amount equal to the  
28 amount borrowed for two years.

29 (3)(a) If the borrower applies for the first time on or after April  
30 23, 2009, and (i) a) successfully completes the teacher education program  
31 and major for which the borrower is receiving a forgivable loan pursuant

1 to the program and becomes certified pursuant to sections 79-806 to  
2 79-815 with an endorsement in the shortage area for which the loan was  
3 received, (ii ~~b~~) becomes employed as a full-time teacher teaching at  
4 least a portion of the time in the shortage area for which the loan was  
5 received in an approved or accredited school in this state within six  
6 months of becoming certified, and (iii ~~c~~) otherwise meets the  
7 requirements of the contract, payments shall be suspended for the number  
8 of years that the borrower is required to remain employed as a teacher in  
9 this state under the contract.

10 (b) Beginning after the first two years of teaching full-time in  
11 Nebraska following graduation for the degree for which the loan was  
12 received, for each year that the borrower teaches full-time in Nebraska  
13 pursuant to the contract, the loan shall be forgiven in an amount equal  
14 to three thousand dollars, except that if the borrower teaches full-time  
15 in a school district that is in a local system classified as very sparse  
16 as defined in section 79-1003, teaches in a school building in which at  
17 least forty percent of the formula students are poverty students as  
18 defined in section 79-1003, or teaches in an accredited or approved  
19 private school in Nebraska in which at least forty percent of the  
20 enrolled students qualified for free lunches as determined by the most  
21 recent data available from the department, payments shall be forgiven  
22 each year in an amount equal to six thousand dollars.

23 Sec. 6. Section 79-8,137.01, Reissue Revised Statutes of Nebraska,  
24 is amended to read:

25 79-8,137.01 The Enhancing Excellence in Teaching Program is created.  
26 For purposes of the Enhancing Excellence in Teaching Program:

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

28 (2) Eligible graduate program means a program of study offered by an  
29 eligible institution which results in obtaining a graduate degree;

30 (3) Eligible institution means a not-for-profit college or  
31 university which (a) is located in Nebraska, (b) is accredited by a

1 regional accrediting agency recognized by the United States Department of  
2 Education as determined to be acceptable by the State Board of Education,  
3 (c) has a teacher education program, and (d) if a privately funded  
4 college or university, has not opted out of the Enhancing Excellence in  
5 Teaching Program pursuant to rules and regulations;

6 (4) Eligible student means an individual who (a) is a certificated  
7 teacher employed to teach in an approved or accredited school in  
8 Nebraska, (b) is enrolled in an eligible graduate program, including a  
9 course of study leading to an endorsement in a shortage area specified by  
10 the State Board of Education, (c) if enrolled at a state-funded eligible  
11 institution, is a resident student as described in section 85-502 or, if  
12 enrolled in a privately funded eligible institution, would be deemed a  
13 resident student if enrolled in a state-funded eligible institution, (d)  
14 is majoring in a shortage area, curriculum and instruction, a subject  
15 area in which the individual already holds a secular teaching  
16 endorsement, or a subject area that will result in an additional secular  
17 teaching endorsement which the superintendent of the school district or  
18 head administrator of the private, denominational, or parochial school  
19 employing the individual believes will be beneficial to the students of  
20 such school district or school as evidenced by a statement signed by the  
21 superintendent or head administrator, and (e) is applying for a loan  
22 pursuant to the Enhancing Excellence in Teaching Program to be received  
23 at a time other than during fiscal year 2011-12 or 2012-13;

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

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

31 Sec. 7. Section 79-8,137.02, Reissue Revised Statutes of Nebraska,

1 is amended to read:

2 79-8,137.02 The purposes of the Enhancing Excellence in Teaching  
3 Program are to:

4 (1) Retain teachers in the accredited school districts, educational  
5 services units, and private schools or approved ~~public~~ and private  
6 schools of Nebraska;

7 (2) Improve the skills of existing teachers in Nebraska through the  
8 graduate education or endorsement programs of Nebraska's postsecondary  
9 educational institutions; and

10 (3) Establish a loan contract that requires a borrower to continue  
11 employment as a teacher in this state after graduation from an eligible  
12 graduate or endorsement program.

13 Sec. 8. Section 79-8,137.03, Reissue Revised Statutes of Nebraska,  
14 is amended to read:

15 79-8,137.03 (1) The department shall administer the Enhancing  
16 Excellence in Teaching Program either directly or by contracting with  
17 public or private entities.

18 (2) To be eligible for the program, an eligible student shall:

19 (a) Agree to complete an eligible graduate or endorsement program at  
20 an eligible institution and to complete the program ~~major~~ on which the  
21 applicant's eligibility is based as determined by the department; and

22 (b) Commit to teach in an accredited or approved public or private  
23 school in Nebraska upon successful completion of the eligible graduate or  
24 endorsement program for which the applicant is applying to the Enhancing  
25 Excellence in Teaching Program and to maintaining certification pursuant  
26 to sections 79-806 to 79-815.

27 (3) Eligible students may apply on an annual basis for loans in an  
28 amount of not more than one hundred seventy-five dollars per credit hour.  
29 Loans awarded to individual students shall not exceed a cumulative period  
30 exceeding five consecutive years. Loans shall only be awarded through the  
31 department. Loans shall be funded pursuant to section 79-8,137.05.



1           Sec. 9. Section 79-8,137.04, Reissue Revised Statutes of Nebraska,  
2 is amended to read:

3           79-8,137.04 (1) Prior to receiving any money from a loan pursuant to  
4 the Enhancing Excellence in Teaching Program, an eligible student shall  
5 enter into a contract with the department. ~~Such contract shall provide~~  
6 ~~notice to the eligible student that funding for loans pursuant to the~~  
7 ~~Enhancing Excellence in Teaching Program terminates on June 30, 2016.~~  
8 Such contract shall be exempt from the requirements of sections 73-501 to  
9 73-510. The contract shall require that if (a) the borrower is not  
10 employed as a full-time teacher teaching in an approved or accredited  
11 school in Nebraska for a time period equal to the number of years  
12 required for loan forgiveness pursuant to subsection (2) of this section  
13 or (b) the borrower does not complete the requirements for graduation  
14 within five consecutive years after receiving the initial loan under the  
15 program, then the loan shall be repaid, with interest at the rate fixed  
16 pursuant to section 45-103 accruing as of the date the borrower signed  
17 the contract and actual collection costs as determined by the department.  
18 If a borrower fails to remain enrolled at an eligible institution or  
19 otherwise fails to meet the requirements of an eligible student,  
20 repayment of the loan shall commence within six months after such change  
21 in eligibility. The State Board of Education may by rules and regulations  
22 provide for exceptions to the conditions of repayment pursuant to this  
23 subsection based upon mitigating circumstances.

24           (2)(a) If the borrower (i a) successfully completes the eligible  
25 graduate or endorsement program ~~and major~~ for which the borrower is  
26 receiving a forgivable loan pursuant to the Enhancing Excellence in  
27 Teaching Program and maintains certification pursuant to sections 79-806  
28 to 79-815, (ii b) maintains employment as a teacher in an approved or  
29 accredited school in this state, and (iii c) otherwise meets the  
30 requirements of the contract, payments shall be suspended for the number  
31 of years that the borrower is required to remain employed as a teacher in

1 this state under the contract.

2 (b) For funds received prior to July 1, 2015, beginning ~~Beginning~~  
3 after the first two years of teaching full-time in Nebraska following  
4 graduation for the degree for which the loan was received, for each year  
5 that the borrower teaches full-time in Nebraska pursuant to the contract,  
6 the loan shall be forgiven in an amount equal to three thousand dollars,  
7 except that if the borrower teaches full-time in a school district that  
8 is in a local system classified as very sparse as defined in section  
9 79-1003, teaches in a school building in which at least forty percent of  
10 the students are poverty students as defined in section 79-1003, or  
11 teaches in an accredited or approved private school in Nebraska in which  
12 at least forty percent of the enrolled students qualified for free  
13 lunches as determined by the most recent data available from the  
14 department, payments shall be forgiven each year in an amount equal to  
15 six thousand dollars.

16 (c) For funds received on or after July 1, 2016, beginning after the  
17 first two years of teaching full-time in Nebraska following graduation  
18 for the degree for which the loan was received, for each year that the  
19 borrower teaches full-time in Nebraska pursuant to the contract, the loan  
20 shall be forgiven in an amount equal to one thousand five hundred  
21 dollars, except that if the borrower teaches full-time in a school  
22 district that is in a local system classified as very sparse as defined  
23 in section 79-1003, teaches in a school building in which at least forty  
24 percent of the formula students are poverty students as defined in  
25 section 79-1003, or teaches in an accredited private school or  
26 educational service unit or an approved private school in Nebraska in  
27 which at least forty percent of the enrolled students qualified for free  
28 lunches as determined by the most recent data available from the  
29 department, payments shall be forgiven each year in an amount equal to  
30 one thousand five hundred dollars for the first year of loan forgiveness  
31 and three thousand dollars for each year of loan forgiveness thereafter.

1           Sec. 10. Section 79-8,137.05, Reissue Revised Statutes of Nebraska,  
2 is amended to read:

3           79-8,137.05 (1) The Excellence in Teaching Cash Fund is created. The  
4 fund shall consist of appropriations by the Legislature, transfers  
5 pursuant to section 9-812, and loan repayments, penalties, and interest  
6 payments received in the course of administering the Attracting  
7 Excellence to Teaching Program and the Enhancing Excellence in Teaching  
8 Program.

9           (2) For all fiscal years ~~except fiscal years 2011-12 and 2012-13,~~  
10 the department shall allocate on an annual basis up to four hundred  
11 thousand dollars in the aggregate of the funds to be distributed for the  
12 Attracting Excellence to Teaching Program to all eligible institutions  
13 according to the distribution formula as determined by rule and  
14 regulation. The eligible institutions shall act as agents of the  
15 department in the distribution of the funds for the Attracting Excellence  
16 to Teaching Program to eligible students. The department shall allocate  
17 on an annual basis up to eight hundred thousand dollars of the remaining  
18 available funds to shall be distributed by the department to eligible  
19 students for the Enhancing Excellence in Teaching Program. Funding  
20 amounts granted in excess of one million two hundred thousand dollars  
21 shall be evenly divided for distribution between the two programs.

22           ~~(3) For fiscal years 2011-12 and 2012-13, the department shall~~  
23 ~~allocate on an annual basis funds to be distributed for the Attracting~~  
24 ~~Excellence to Teaching Program to all eligible institutions receiving~~  
25 ~~applications from eligible students for loans to be received during such~~  
26 ~~fiscal years. The distribution for each of fiscal years 2011-12 and~~  
27 ~~2012-13 shall be proportional based on the amounts applied for by~~  
28 ~~eligible students at each institution, except that no more than one~~  
29 ~~hundred percent of such amounts shall be distributed. The eligible~~  
30 ~~institutions shall act as agents of the department in the distribution of~~  
31 ~~the funds for the Attracting Excellence to Teaching Program to eligible~~

1 ~~students.~~

2 (3 4) Any money remaining in the fund on August 1, 2016, shall be  
3 transferred to the Nebraska Education Improvement Fund on such date.

4 (4 5) Any money in the Excellence in Teaching Cash Fund available  
5 for investment shall be invested by the state investment officer pursuant  
6 to the Nebraska Capital Expansion Act and the Nebraska State Funds  
7 Investment Act.

8 Sec. 11. Section 79-1001, Reissue Revised Statutes of Nebraska, is  
9 amended to read:

10 79-1001 Sections 79-1001 to 79-1033 and section 12 of this act shall  
11 be known and may be cited as the Tax Equity and Educational Opportunities  
12 Support Act.

13 Sec. 12. Beginning with aid calculated for school fiscal year  
14 2021-22, for any school fiscal year for which the best practices  
15 allowance has been implemented by the State Board of Education, the State  
16 Department of Education shall calculate a best practices allowance for  
17 each school district qualifying pursuant to section 2 of this act equal  
18 to the lesser of (1) the best practices cost certified pursuant to such  
19 section for such school district or (2) the product of the best practices  
20 cost certified pursuant to such section for such school district  
21 multiplied by the ratio of one million dollars divided by the aggregate  
22 total of the best practices cost certified for all qualifying school  
23 districts for such school fiscal year. Fifty percent of the best  
24 practices allowance calculated pursuant to this section for each  
25 qualifying school district shall be paid to such school district as best  
26 practices aid for the school fiscal year for which aid is being  
27 calculated.

28 Sec. 13. Section 79-1003, Reissue Revised Statutes of Nebraska, is  
29 amended to read:

30 79-1003 For purposes of the Tax Equity and Educational Opportunities  
31 Support Act:

1 (1) Adjusted general fund operating expenditures means (a) for  
2 school fiscal years 2013-14 through 2015-16, the difference of the  
3 general fund operating expenditures as calculated pursuant to subdivision  
4 (22) of this section increased by the cost growth factor calculated  
5 pursuant to section 79-1007.10, minus the transportation allowance,  
6 special receipts allowance, poverty allowance, limited English  
7 proficiency allowance, distance education and telecommunications  
8 allowance, elementary site allowance, summer school allowance,  
9 instructional time allowance, teacher education allowance, and focus  
10 school and program allowance, and (b) for school fiscal year 2016-17 and  
11 each school fiscal year thereafter, the difference of the general fund  
12 operating expenditures as calculated pursuant to subdivision (22) of this  
13 section increased by the cost growth factor calculated pursuant to  
14 section 79-1007.10, minus the transportation allowance, special receipts  
15 allowance, poverty allowance, limited English proficiency allowance,  
16 distance education and telecommunications allowance, elementary site  
17 allowance, summer school allowance, best practices allowance, and focus  
18 school and program allowance;

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

29 (3) Allocated income tax funds means the amount of assistance paid  
30 to a local system pursuant to section 79-1005.01 as adjusted by the  
31 minimum levy adjustment pursuant to section 79-1008.02;

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

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

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

10 (7) Categorical funds means funds limited to a specific purpose by  
11 federal or state law, including, but not limited to, Title I funds, Title  
12 VI funds, federal vocational education funds, federal school lunch funds,  
13 Indian education funds, Head Start funds, and funds from the Education  
14 Innovation Fund. Categorical funds does not include funds received  
15 pursuant to section 79-1028.02 or 79-1028.04;

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

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

27 (10) Converted contract option student means a student who will be  
28 an option student pursuant to the enrollment option program established  
29 in section 79-234 for the school fiscal year for which aid is being  
30 calculated and who would have been covered by a converted contract if the  
31 contract were still in effect and such school fiscal year is the first

1 school fiscal year for which such contract is not in effect;

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

3 (12) District means any Class I, II, III, IV, V, or VI school  
4 district and, beginning with the calculation of state aid for school  
5 fiscal year 2011-12 and each school fiscal year thereafter, a unified  
6 system as defined in section 79-4,108;

7 (13) Ensuing school fiscal year means the school fiscal year  
8 following the current school fiscal year;

9 (14) Equalization aid means the amount of assistance calculated to  
10 be paid to a local system pursuant to sections 79-1007.11 to 79-1007.23,  
11 79-1007.25, 79-1008.01 to 79-1022, 79-1022.02, 79-1028.02, and  
12 79-1028.04;

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

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

19 (17) Formula students means:

20 (a) For state aid certified pursuant to section 79-1022, the sum of  
21 the product of fall membership from the school fiscal year immediately  
22 preceding the school fiscal year in which the aid is to be paid  
23 multiplied by the average ratio of average daily membership to fall  
24 membership for the second school fiscal year immediately preceding the  
25 school fiscal year in which the aid is to be paid and the prior two  
26 school fiscal years plus sixty percent of the qualified early childhood  
27 education fall membership plus tuitioned students from the school fiscal  
28 year immediately preceding the school fiscal year in which aid is to be  
29 paid minus the product of the number of students enrolled in kindergarten  
30 that is not full-day kindergarten from the fall membership multiplied by  
31 0.5; and

1 (b) For the final calculation of state aid pursuant to section  
2 79-1065, the sum of average daily membership plus sixty percent of the  
3 qualified early childhood education average daily membership plus  
4 tuitioned students minus the product of the number of students enrolled  
5 in kindergarten that is not full-day kindergarten from the average daily  
6 membership multiplied by 0.5 from the school fiscal year immediately  
7 preceding the school fiscal year in which aid was paid;

8 (18) Free lunch and free milk student means a student who qualified  
9 for free lunches or free milk from the most recent data available on  
10 November 1 of the school fiscal year immediately preceding the school  
11 fiscal year in which aid is to be paid;

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

14 (20) General fund budget of expenditures means the total budget of  
15 disbursements and transfers for general fund purposes as certified in the  
16 budget statement adopted pursuant to the Nebraska Budget Act, except that  
17 for purposes of the limitation imposed in section 79-1023 and the  
18 calculation pursuant to subdivision (2) of section 79-1027.01, the  
19 general fund budget of expenditures does not include any special grant  
20 funds, exclusive of local matching funds, received by a district;

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

23 (22) General fund operating expenditures means for state aid  
24 calculated for school fiscal years 2012-13 and each school fiscal year  
25 thereafter, as reported on the annual financial report for the second  
26 school fiscal year immediately preceding the school fiscal year in which  
27 aid is to be paid, the total general fund expenditures minus (a) the  
28 amount of all receipts to the general fund, to the extent that such  
29 receipts are not included in local system formula resources, from early  
30 childhood education tuition, summer school tuition, educational entities  
31 as defined in section 79-1201.01 for providing distance education courses



1 through the Educational Service Unit Coordinating Council to such  
2 educational entities, private foundations, individuals, associations,  
3 charitable organizations, the textbook loan program authorized by section  
4 79-734, federal impact aid, and levy override elections pursuant to  
5 section 77-3444, (b) the amount of expenditures for categorical funds,  
6 tuition paid, transportation fees paid to other districts, adult  
7 education, community services, redemption of the principal portion of  
8 general fund debt service, retirement incentive plans authorized by  
9 section 79-855, and staff development assistance authorized by section  
10 79-856, (c) the amount of any transfers from the general fund to any bond  
11 fund and transfers from other funds into the general fund, (d) any legal  
12 expenses in excess of fifteen-hundredths of one percent of the formula  
13 need for the school fiscal year in which the expenses occurred, (e)  
14 expenditures to pay for sums agreed to be paid by a school district to  
15 certificated employees in exchange for a voluntary termination occurring  
16 prior to July 1, 2009, occurring on or after the last day of the 2010-11  
17 school year and prior to the first day of the 2013-14 school year, or, to  
18 the extent that a district has demonstrated to the State Board of  
19 Education pursuant to section 79-1028.01 that the agreement will result  
20 in a net savings in salary and benefit costs to the school district over  
21 a five-year period, occurring on or after the first day of the 2013-14  
22 school year, (f)(i) expenditures to pay for employer contributions  
23 pursuant to subsection (2) of section 79-958 to the School Employees  
24 Retirement System of the State of Nebraska to the extent that such  
25 expenditures exceed the employer contributions under such subsection that  
26 would have been made at a contribution rate of seven and thirty-five  
27 hundredths percent or (ii) expenditures to pay for school district  
28 contributions pursuant to subdivision (1)(c)(i) of section 79-9,113 to  
29 the retirement system established pursuant to the Class V School  
30 Employees Retirement Act to the extent that such expenditures exceed the  
31 school district contributions under such subdivision that would have been

1 made at a contribution rate of seven and thirty-seven hundredths percent,  
2 and (g) any amounts paid by the district for lobbyist fees and expenses  
3 reported to the Clerk of the Legislature pursuant to section 49-1483.

4 For purposes of this subdivision (22) of this section, receipts from  
5 levy override elections shall equal ninety-nine percent of the difference  
6 of the total general fund levy minus a levy of one dollar and five cents  
7 per one hundred dollars of taxable valuation multiplied by the assessed  
8 valuation for school districts that have voted pursuant to section  
9 77-3444 to override the maximum levy provided pursuant to section  
10 77-3442;

11 (23) High school district means a school district providing  
12 instruction in at least grades nine through twelve;

13 (24) Income tax liability means the amount of the reported income  
14 tax liability for resident individuals pursuant to the Nebraska Revenue  
15 Act of 1967 less all nonrefundable credits earned and refunds made;

16 (25) Income tax receipts means the amount of income tax collected  
17 pursuant to the Nebraska Revenue Act of 1967 less all nonrefundable  
18 credits earned and refunds made;

19 (26) Limited English proficiency students means the number of  
20 students with limited English proficiency in a district from the most  
21 recent data available on November 1 of the school fiscal year preceding  
22 the school fiscal year in which aid is to be paid plus the difference of  
23 such students with limited English proficiency minus the average number  
24 of limited English proficiency students for such district, prior to such  
25 addition, for the three immediately preceding school fiscal years if such  
26 difference is greater than zero;

27 (27) Local system means a learning community for purposes of  
28 calculation of state aid for the second full school fiscal year after  
29 becoming a learning community and each school fiscal year thereafter, a  
30 unified system, a Class VI district and the associated Class I districts,  
31 or a Class II, III, IV, or V district and any affiliated Class I

1 districts or portions of Class I districts. The membership, expenditures,  
2 and resources of Class I districts that are affiliated with multiple high  
3 school districts will be attributed to local systems based on the percent  
4 of the Class I valuation that is affiliated with each high school  
5 district;

6 (28) Low-income child means a child under nineteen years of age  
7 living in a household having an annual adjusted gross income for the  
8 second calendar year preceding the beginning of the school fiscal year  
9 for which aid is being calculated equal to or less than the maximum  
10 household income that would allow a student from a family of four people  
11 to be a free lunch and free milk student during the school fiscal year  
12 immediately preceding the school fiscal year for which aid is being  
13 calculated;

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

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

24 (31) Poverty students means the number of low-income students or the  
25 number of students who are free lunch and free milk students in a  
26 district plus the difference of the number of low-income students or the  
27 number of students who are free lunch and free milk students in a  
28 district, whichever is greater, minus the average number of poverty  
29 students for such district, prior to such addition, for the three  
30 immediately preceding school fiscal years if such difference is greater  
31 than zero;

1           (32) Qualified early childhood education average daily membership  
2 means the product of the average daily membership for school fiscal year  
3 2006-07 and each school fiscal year thereafter of students who will be  
4 eligible to attend kindergarten the following school year and are  
5 enrolled in an early childhood education program approved by the  
6 department pursuant to section 79-1103 for such school district for such  
7 school year multiplied by the ratio of the actual instructional hours of  
8 the program divided by one thousand thirty-two if: (a) The program is  
9 receiving a grant pursuant to such section for the third year; (b) the  
10 program has already received grants pursuant to such section for three  
11 years; or (c) the program has been approved pursuant to subsection (5) of  
12 section 79-1103 for such school year and the two preceding school years,  
13 including any such students in portions of any of such programs receiving  
14 an expansion grant;

15           (33) Qualified early childhood education fall membership means the  
16 product of membership on the last Friday in September 2006 and each year  
17 thereafter of students who will be eligible to attend kindergarten the  
18 following school year and are enrolled in an early childhood education  
19 program approved by the department pursuant to section 79-1103 for such  
20 school district for such school year multiplied by the ratio of the  
21 planned instructional hours of the program divided by one thousand  
22 thirty-two if: (a) The program is receiving a grant pursuant to such  
23 section for the third year; (b) the program has already received grants  
24 pursuant to such section for three years; or (c) the program has been  
25 approved pursuant to subsection (5) of section 79-1103 for such school  
26 year and the two preceding school years, including any such students in  
27 portions of any of such programs receiving an expansion grant;

28           (34) Regular route transportation means the transportation of  
29 students on regularly scheduled daily routes to and from the attendance  
30 center;

31           (35) Reorganized district means any district involved in a

1 consolidation and currently educating students following consolidation;

2 (36) School year or school fiscal year means the fiscal year of a  
3 school district as defined in section 79-1091;

4 (37) Sparse local system means a local system that is not a very  
5 sparse local system but which meets the following criteria:

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

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

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

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

22 (38) Special education means specially designed kindergarten through  
23 grade twelve instruction pursuant to section 79-1125, and includes  
24 special education transportation;

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

1 (40) State aid means the amount of assistance paid to a district  
2 pursuant to the Tax Equity and Educational Opportunities Support Act;

3 (41) State board means the State Board of Education;

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

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

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

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

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

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

30 (48) Tuitioned students means students in kindergarten through grade  
31 twelve of the district whose tuition is paid by the district to some

1 other district or education agency; and

2 (49) Very sparse local system means a local system that has:

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

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

14 Sec. 14. Section 79-1007.11, Reissue Revised Statutes of Nebraska,  
15 is amended to read:

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

29 (2) Except as otherwise provided in this section, for school fiscal  
30 year 2016-17 and each school fiscal year thereafter, each school  
31 district's formula need shall equal the difference of the sum of the

1 school district's basic funding, poverty allowance, limited English  
2 proficiency allowance, focus school and program allowance, summer school  
3 allowance, special receipts allowance, transportation allowance,  
4 elementary site allowance, best practices allowance, distance education  
5 and telecommunications allowance, averaging adjustment, new learning  
6 community transportation adjustment, student growth adjustment, any  
7 positive student growth adjustment correction, and new school adjustment,  
8 minus the sum of the limited English proficiency allowance correction,  
9 poverty allowance correction, and any negative student growth adjustment  
10 correction.

11 (3) If the formula need calculated for a school district pursuant to  
12 subsections (1) and (2) of this section is less than one hundred percent  
13 of the formula need for such district for the school fiscal year  
14 immediately preceding the school fiscal year for which aid is being  
15 calculated, the formula need for such district shall equal one hundred  
16 percent of the formula need for such district for the school fiscal year  
17 immediately preceding the school fiscal year for which aid is being  
18 calculated.

19 (4) Except as provided in subsection (6) of this section, if the  
20 formula need calculated for a school district pursuant to subsections (1)  
21 and (2) of this section is more than one hundred twelve percent of the  
22 formula need for such district for the school fiscal year immediately  
23 preceding the school fiscal year for which aid is being calculated, the  
24 formula need for such district shall equal one hundred twelve percent of  
25 the formula need for such district for the school fiscal year immediately  
26 preceding the school fiscal year for which aid is being calculated,  
27 except that the formula need shall not be reduced pursuant to this  
28 subsection for any district receiving a student growth adjustment for the  
29 school fiscal year for which aid is being calculated.

30 (5) For purposes of subsections (3) and (4) of this section, the  
31 formula need for the school fiscal year immediately preceding the school



1 fiscal year for which aid is being calculated shall be the formula need  
2 used in the final calculation of aid pursuant to section 79-1065 and for  
3 districts that were affected by a reorganization with an effective date  
4 in the calendar year preceding the calendar year in which aid is  
5 certified for the school fiscal year for which aid is being calculated,  
6 the formula need for the school fiscal year immediately preceding the  
7 school fiscal year for which aid is being calculated shall be attributed  
8 to the affected school districts based on information provided to the  
9 department by the school districts or proportionally based on the  
10 adjusted valuation transferred if sufficient information has not been  
11 provided to the department.

12 (6) For state aid calculated for the first full school fiscal year  
13 of a new learning community, if the formula need calculated for a member  
14 school district pursuant to subsections (1) through (3) of this section  
15 is less than the sum of the school district's state aid certified for the  
16 school fiscal year immediately preceding the first full school fiscal  
17 year of the learning community plus the school district's other actual  
18 receipts included in local system formula resources pursuant to section  
19 79-1018.01 for such school fiscal year plus the product of the school  
20 district's general fund levy for such school fiscal year up to one dollar  
21 and five cents multiplied by the school district's assessed valuation for  
22 such school fiscal year, the formula need for such school district for  
23 the school fiscal year for which aid is being calculated shall equal such  
24 sum.

25 Sec. 15. Section 79-1017.01, Reissue Revised Statutes of Nebraska,  
26 is amended to read:

27 ~~79-1017.01 (1) For state aid calculated for school fiscal year~~  
28 ~~2013-14, local system formula resources includes retirement aid~~  
29 ~~determined under section 79-1028.03, teacher education aid determined for~~  
30 ~~each district pursuant to subdivision (2) of section 79-1007.25,~~  
31 ~~instructional time aid determined pursuant to subsection (2) of section~~

1 ~~79-1007.23, allocated income tax funds determined for each district~~  
2 ~~pursuant to section 79-1005.01, and adjustments pursuant to section~~  
3 ~~79-1008.02 and is reduced by amounts paid by the district in the most~~  
4 ~~recently available complete data year as property tax refunds pursuant to~~  
5 ~~or in the manner prescribed by section 77-1736.06.~~

6 (1 2) For state aid calculated for school fiscal years 2014-15 and  
7 2015-16, local system formula resources includes teacher education aid  
8 determined for each district pursuant to section 79-1007.25,  
9 instructional time aid determined pursuant to subsection (2) of section  
10 79-1007.23, allocated income tax funds determined for each district  
11 pursuant to section 79-1005.01, and adjustments pursuant to section  
12 79-1008.02 and is reduced by amounts paid by the district in the most  
13 recently available complete data year as property tax refunds pursuant to  
14 or in the manner prescribed by section 77-1736.06.

15 (2 3) For state aid calculated for school fiscal year 2016-17 and  
16 each school fiscal year thereafter, local system formula resources  
17 includes best practices aid pursuant to section 12 of this act, if any  
18 districts in the local system qualify, allocated income tax funds  
19 determined for each district pursuant to section 79-1005.01 and  
20 adjustments pursuant to section 79-1008.02 and is reduced by amounts paid  
21 by the district in the most recently available complete data year as  
22 property tax refunds pursuant to or in the manner prescribed by section  
23 77-1736.06.

24 Sec. 16. Sections 16 to 25 of this act shall be known and may be  
25 cited as the Expanded Learning Opportunity Grant Program Act.

26 Sec. 17. The purpose of the Expanded Learning Opportunity Grant  
27 Program Act is to promote academic achievement outside of school hours in  
28 high-need school districts.

29 Sec. 18. For purposes of the Expanded Learning Opportunity Grant  
30 Program Act:

31 (1) Community learning center has the definition found in 20 U.S.C.

1 7171(b)(1), as such section existed on January 1, 2015;

2 (2) Department means the State Department of Education;

3 (3) Expanded learning opportunity program means a school-community  
4 partnership that provides participating elementary-age and secondary-age  
5 students and their families with programming and other support activities  
6 and services after school and on weekends, holidays, and other hours when  
7 school is not in session through a mix of programs and services that (a)  
8 complement but do not duplicate elementary and secondary school day  
9 learning and (b) create opportunities to strengthen school-community  
10 partnerships that provide students and their families with the support  
11 they need to be successful in school; and

12 (4) High-need school district means a school district in which forty  
13 percent or more of the enrolled students qualify for free and reduced  
14 price meals under the National School Lunch Program, 7 C.F.R. part 210,  
15 as such regulations existed on January 1, 2015.

16 Sec. 19. The department shall establish and administer the Expanded  
17 Learning Opportunity Grant Program. The grant program shall provide  
18 grants to community-based organizations working in partnership with  
19 schools in high-need school districts to provide expanded learning  
20 opportunity programs.

21 Sec. 20. The first priority of the Expanded Learning Opportunity  
22 Grant Program is to continue existing 21st Century Community Learning  
23 Centers funded by the federal 21st Century Community Learning Center  
24 program pursuant to 20 U.S.C. 7171 et seq., as such sections existed on  
25 January 1, 2015, in high-need school districts that have a record of  
26 success. The second priority shall be support for new expanded learning  
27 opportunity program development in areas of the state with a high  
28 percentage of at-risk children that are not currently served by school-  
29 based or school-linked expanded learning opportunity programs funded by  
30 the federal 21st Century Community Learning Center program pursuant to 20  
31 U.S.C. 7171 et seq., as such sections existed on January 1, 2015.

1           Sec. 21. (1) The department shall establish an application process  
2 and timeline pursuant to which partner organizations may submit proposals  
3 for a grant under the Expanded Learning Opportunity Grant Program. Each  
4 proposal shall include:

5           (a) A grant planning period;

6           (b) An agreement to participate in periodic evaluations of the  
7 expanded learning opportunity program, to be specified by the department;

8           (c) Evidence that the proposed expanded learning opportunity program  
9 will be coordinated or contracted with existing programs;

10           (d) A plan to coordinate and use a combination of local, state,  
11 philanthropic, and federal funding sources, including, but not limited  
12 to, funding available through the federal No Child Left Behind Act of  
13 2001, 20 U.S.C. 6301 et seq., as such act and sections existed on January  
14 1, 2015, funds allocated pursuant to section 9-812, and funds from any  
15 other source designated or appropriated for purposes of the program.  
16 Funding provided by the Expanded Learning Opportunity Grant Program shall  
17 be matched on a one-to-one basis by community or partner contributions;

18           (e) A plan to use sliding fee scales and the funding sources  
19 included in subdivision (d) of this subsection;

20           (f) An advisory body which includes families and community members;

21           (g) Appropriately qualified staff;

22           (h) An appropriate child-to-staff ratio;

23           (i) Compliance with minimum health and safety standards;

24           (j) A strong family development and support component, recognizing  
25 the central role of parents in their children's development; and

26           (k) Developmentally and culturally appropriate practices and  
27 assessments.

28           (2) The proposal shall demonstrate how the expanded learning  
29 opportunity program will provide participating students with academic  
30 enrichment and expanded learning opportunities that are high quality,  
31 based on proven methods, if appropriate, and designed to complement

1 students' regular academic programs. Such activities shall include two or  
2 more of the following:

3 (a) Core education subjects of reading, writing, mathematics, and  
4 science;

5 (b) Academic enrichment learning programs, including provision of  
6 additional assistance to students to allow the students to improve their  
7 academic achievement;

8 (c) Science, technology, engineering, and mathematics (STEM)  
9 education;

10 (d) Sign language, foreign language, and social studies instruction;

11 (e) Remedial education activities;

12 (f) Tutoring services, including, but not limited to, tutoring  
13 services provided by senior citizen volunteers;

14 (g) Arts and music education;

15 (h) Entrepreneurial education programs;

16 (i) Telecommunications and technology education programs;

17 (j) Programs for English language learners that emphasize language  
18 skills and academic achievement;

19 (k) Mentoring programs;

20 (l) Recreational activities;

21 (m) Expanded library service hours;

22 (n) Programs that provide assistance to students who have been  
23 truant, suspended, or expelled to allow such students to improve their  
24 academic achievement;

25 (o) Drug abuse prevention and violence prevention programs;

26 (p) Character education programs;

27 (q) Health and nutritional services;

28 (r) Behavioral health counseling services; and

29 (s) Programs that promote parental involvement and family literacy.

30 (3) A proposal shall: (a) Demonstrate specifically how its  
31 activities are expected to improve student academic achievement; (b)

1 demonstrate that its activities will be provided by organizations in  
2 partnership with the school that have experience or the promise of  
3 success in providing educational and related activities that will  
4 complement and enhance the academic performance, achievement, and  
5 positive development of the students; and (c) demonstrate that the  
6 expanded learning opportunity program aligns with the school district  
7 learning objectives and behavioral codes. Nothing in this subsection  
8 shall be construed to require an expanded learning opportunity program to  
9 provide academic services in specific subject areas.

10 (4) The department shall make an effort to fund expanded learning  
11 opportunity programs in both rural and urban areas of the state. The  
12 department shall award grants to proposals that offer a broad array of  
13 services, programs, and activities.

14 Sec. 22. A school district participating in an expanded learning  
15 opportunity program shall inform an authorized representative or designee  
16 of each nonpublic school geographically located within each public school  
17 building's attendance area regarding potential participation in an  
18 expanded learning opportunity program.

19 Sec. 23. Grantees receiving funds pursuant to the Expanded Learning  
20 Opportunity Grant Program shall cooperate with evaluators and supervise  
21 the administration and collection of student, teacher, parent, and  
22 collaboration surveys. Grantees shall also designate a qualified  
23 evaluation professional or local evaluation support to ensure data  
24 collection, perform annual self-assessments, monitor program progress,  
25 and assist in developing local evaluation reports.

26 Sec. 24. The department shall provide a report evaluating the  
27 programs to the Legislature by January 1 of each odd-numbered year. The  
28 report submitted to the Legislature shall be submitted electronically. Up  
29 to five percent of the total funds available to the Expanded Learning  
30 Opportunity Grant Program may be reserved by the department for  
31 administration, evaluation, and technical assistance for the expanded

1 learning opportunity programs.

2       Sec. 25. The State Board of Education, in consultation with the  
3 department, may adopt and promulgate rules and regulations to carry out  
4 the Expanded Learning Opportunity Grant Program Act.

5       Sec. 26. Section 85-1412, Reissue Revised Statutes of Nebraska, is  
6 amended to read:

7       85-1412 The commission shall have the following additional powers  
8 and duties:

9       (1) Conduct surveys and studies as may be necessary to undertake the  
10 coordination function of the commission pursuant to section 85-1403 and  
11 request information from governing boards and appropriate administrators  
12 of public institutions and other governmental agencies for research  
13 projects. All public institutions and governmental agencies receiving  
14 state funds shall comply with reasonable requests for information under  
15 this subdivision. Public institutions may comply with such requests  
16 pursuant to section 85-1417;

17       (2) Recommend to the Legislature and the Governor legislation it  
18 deems necessary or appropriate to improve postsecondary education in  
19 Nebraska and any other legislation it deems appropriate to change the  
20 role and mission provisions in sections 85-917 to 85-966.01. The  
21 recommendations submitted to the Legislature shall be submitted  
22 electronically;

23       (3) Establish any advisory committees as may be necessary to  
24 undertake the coordination function of the commission pursuant to section  
25 85-1403 or to solicit input from affected parties such as students,  
26 faculty, governing boards, administrators of the public institutions,  
27 administrators of the private nonprofit institutions of postsecondary  
28 education and proprietary institutions in the state, and community and  
29 business leaders regarding the coordination function of the commission;

30       (4) Participate in or designate an employee or employees to  
31 participate in any committee which may be created to prepare a

1 coordinated plan for the delivery of educational programs and services in  
2 Nebraska through the telecommunications system;

3 (5) Seek a close liaison with the State Board of Education and the  
4 State Department of Education in recognition of the need for close  
5 coordination of activities between elementary and secondary education and  
6 postsecondary education;

7 (6) Administer the Integrated Postsecondary Education Data System or  
8 other information system or systems to provide the commission with  
9 timely, comprehensive, and meaningful information pertinent to the  
10 exercise of its duties. The information system shall be designed to  
11 provide comparable data on each public institution. The commission shall  
12 also administer the uniform information system prescribed in sections  
13 85-1421 to 85-1427 known as the Nebraska Educational Data System. Public  
14 institutions shall supply the appropriate data for the information system  
15 or systems required by the commission;

16 (7) Administer (a) the Access College Early Scholarship Program Act,  
17 (b) the Community College Aid Act, (c) the Nebraska Community College  
18 Student Performance and Occupational Education Grant Fund under the  
19 direction of the Nebraska Community College Student Performance and  
20 Occupational Education Grant Committee, (d) the Nebraska Opportunity  
21 Grant Act, ~~and~~ (e) the Postsecondary Institution Act, and (f) the  
22 Community College Gap Assistance Program and the Community College Gap  
23 Assistance Program Fund;

24 (8) Accept and administer loans, grants, and programs from the  
25 federal or state government and from other sources, public and private,  
26 for carrying out any of its functions, including the administration of  
27 privately endowed scholarship programs. Such loans and grants shall not  
28 be expended for any other purposes than those for which the loans and  
29 grants were provided. The commission shall determine eligibility for such  
30 loans, grants, and programs, and such loans and grants shall not be  
31 expended unless approved by the Governor;



1 (9) On or before December 1 of each even-numbered year, submit to  
2 the Legislature and the Governor a report of its objectives and  
3 activities and any new private colleges in Nebraska and the  
4 implementation of any recommendations of the commission for the preceding  
5 two calendar years. The report submitted to the Legislature shall be  
6 submitted electronically;

7 (10) Provide staff support for interstate compacts on postsecondary  
8 education; ~~and~~

9 (11) Establish and carry out the programs described in section 3 of  
10 this act; and

11 (12 ~~11~~) Request inclusion of the commission in any existing grant  
12 review process and information system.

13 Sec. 27. Sections 27 to 37 of this act shall be known and may be  
14 cited as the Community College Gap Assistance Program Act.

15 Sec. 28. For purposes of the Community College Gap Assistance  
16 Program Act:

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

19 (2) Community college gap assistance program means the program  
20 created pursuant to section 29 of this act;

21 (3) Eligible program means a program offered by a community college  
22 that is not offered for credit but is aligned with training programs with  
23 stackable credentials that lead to a program awarding college credit, an  
24 associate's degree, a diploma, or a certificate in an in-demand  
25 occupation, has a duration of not less than sixteen contact hours in  
26 length, and does any of the following:

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

28 (b) Offers preparation for a professional examination or licensure;

29 (c) Provides endorsement for an existing credential or license;

30 (d) Represents recognized skill standards defined by an industrial  
31 sector; or

- 1           (e) Offers a similar credential or training; and  
2           (4) In-demand occupation means:  
3           (a) Financial services;  
4           (b) Transportation, warehousing, and distribution logistics;  
5           (c) Precision metals manufacturing;  
6           (d) Biosciences;  
7           (e) Renewable energy;  
8           (f) Agriculture and food processing;  
9           (g) Business management and administrative services;  
10          (h) Software and computer services;  
11          (i) Research, development, and engineering services;  
12          (j) Health services;  
13          (k) Hospitality and tourism; and  
14          (l) Any other industry designated as an in-demand occupation by the  
15          committee.

16          Sec. 29.   (1) The community college gap assistance program is  
17          created. The program shall be under the direction of the committee and  
18          shall be administered by the Coordinating Commission for Postsecondary  
19          Education. The purpose of the community college gap assistance program is  
20          to provide funding to community colleges to award community college gap  
21          assistance to students in eligible programs.

22          (2) To be eligible for community college gap assistance under the  
23          community college gap assistance program, an applicant:

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

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

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

30          Sec. 30.   Application for community college gap assistance under the  
31          community college gap assistance program shall be made to the community

1 college in which the applicant is enrolled or intends to enroll. An  
2 application shall be valid for six months from the date of signature on  
3 the application. The applicant shall provide documentation of all sources  
4 of income. An applicant shall not receive community college gap  
5 assistance for more than one eligible program.

6 Sec. 31. (1) An applicant for community college gap assistance  
7 under the community college gap assistance program shall demonstrate  
8 capacity to achieve the following outcomes:

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

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

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

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

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

17 (3) The committee shall deny an application when the community  
18 college receiving the application determines that funding for an  
19 applicant's participation in an eligible program is available from any  
20 other public or private funding source.

21 Sec. 32. The eligible costs for which the committee may award  
22 community college gap assistance under the community college gap  
23 assistance program include, but are not limited to:

24 (1) Tuition;

25 (2) Direct training costs;

26 (3) Required books and equipment; and

27 (4) Fees, including, but not limited to, fees for industry testing  
28 services and background check services.

29 Sec. 33. An applicant for community college gap assistance under  
30 the community college gap assistance program shall complete an initial  
31 assessment administered by the community college receiving the

1 application to determine the applicant's readiness to complete an  
2 eligible program. The initial assessment shall include any assessments  
3 required by the eligible program.

4 Sec. 34. (1) A recipient of community college gap assistance under  
5 the community college gap assistance program shall:

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

8 (b) Sign any necessary releases to provide relevant information to  
9 community college faculty or case managers, if applicable;

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

13 (d) Attend all required courses regularly; and

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

16 (2) A community college may terminate college gap assistance under  
17 the college gap assistance program for a recipient who fails to meet the  
18 requirements of this section.

19 Sec. 35. (1) The Community College Gap Assistance Program Fund is  
20 created. The fund shall be under the direction of the committee and shall  
21 be administered by the Coordinating Commission for Postsecondary  
22 Education. The fund shall consist of money received pursuant to section  
23 9-812, any other money received by the state in the form of grants or  
24 gifts from nonfederal sources, such other amounts as may be transferred  
25 or otherwise accrue to the fund, and any investment income earned on the  
26 fund. The fund shall be used to provide aid or grants to the community  
27 colleges pursuant to the Community College Gap Assistance Program Act.  
28 Any money in the fund available for investment shall be invested by the  
29 state investment officer pursuant to the Nebraska Capital Expansion Act  
30 and the Nebraska State Funds Investment Act.

31 (2) The total of community college gap assistance awarded from the

1 Community College Gap Assistance Program Fund during any fiscal year  
2 shall not exceed one million five hundred thousand dollars.

3 (3) Money in the fund may also be used by the committee:

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

5 (b) To assist community colleges in defraying the costs of direct  
6 staff support services, including, but not limited to, marketing,  
7 outreach, applications, interviews, and assessments as follows: (i) Up to  
8 twenty percent of any amount allocated for such purposes to the two  
9 smallest community colleges; (ii) up to ten percent of any such amount to  
10 the two largest community colleges; and (iii) up to fifteen percent of  
11 any such amount to the remaining two community colleges. For purposes of  
12 this subsection, community college size shall be determined based on the  
13 most recent three-year rolling average full-time equivalent enrollment.

14 Sec. 36. (1) The committee shall develop a common applicant  
15 tracking system for the community college gap assistance program that  
16 shall be implemented consistently by each participating community  
17 college.

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

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

26 Sec. 37. The Coordinating Commission for Postsecondary Education  
27 may adopt and promulgate rules and regulations to carry out the Community  
28 College Gap Assistance Program Act.

29 Sec. 38. Section 85-1920, Reissue Revised Statutes of Nebraska, is  
30 amended to read:

31 85-1920 The Nebraska Opportunity Grant Fund is created. Money in the

1 fund shall include amounts transferred from the State Lottery Operation  
2 Trust Fund pursuant to section 9-812 until June 30, 2016, or the Nebraska  
3 Education Improvement Fund pursuant to section 9-812 until June 30, 2021.  
4 All amounts accruing to the Nebraska Opportunity Grant Fund shall be used  
5 to carry out the Nebraska Opportunity Grant Act. Any money in the fund  
6 available for investment shall be invested by the state investment  
7 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska  
8 State Funds Investment Act.

9 The Nebraska Opportunity Grant Fund terminates on June 30, 2021  
10 ~~2016~~. Any money in the fund on such date shall be transferred to the  
11 Nebraska Education Improvement Fund on such date.

12 Sec. 39. The Education Committee of the Legislature shall conduct a  
13 study of postsecondary education affordability in Nebraska and  
14 alternatives for supporting students and families with the cost. The  
15 committee shall electronically report its recommendations to the Clerk of  
16 the Legislature on or before December 31, 2015.

17 Sec. 40. Original sections 79-8,134, 79-8,137, 79-8,137.01,  
18 79-8,137.02, 79-8,137.03, 79-8,137.04, 79-8,137.05, 79-1001, 79-1003,  
19 79-1007.11, 79-1017.01, 85-1412, and 85-1920, Reissue Revised Statutes of  
20 Nebraska, and section 9-812, Revised Statutes Cumulative Supplement,  
21 2014, are repealed.

22 Sec. 41. The following section is outright repealed: Section  
23 79-2306, Reissue Revised Statutes of Nebraska.