LEGISLATURE OF NEBRASKA

ONE HUNDRED FIFTH LEGISLATURE

SECOND SESSION

LEGISLATIVE BILL 828

Introduced by Lowe, 37; Clements, 2.

Read first time January 04, 2018

Committee: Education

1   A BILL FOR AN ACT relating to schools; to adopt the Empowerment Savings

2   Account Act.

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

1   Section 1. Sections 1 to 9 of this act shall be known and may be

2 cited as the Empowerment Savings Account Act.

3   Sec. 2. For purposes of the Empowerment Savings Account Act:

4   (1) Department means the State Department of Education; and

5   (2) Eligible student means any student who is enrolled in

6 kindergarten through grade twelve, attends a school classified at the

7 lowest performance level established by the State Board of Education

8 under section 79-760.06, and is eligible to receive free or reduced-price

9 lunches under United States Department of Agriculture child nutrition

10 programs as such programs existed on January 1, 2018.

11   Sec. 3. The parent or guardian of an eligible student may apply to

12 the department to have the department establish an empowerment savings

13 account on behalf of such eligible student. The parent or guardian of

14 such eligible student shall have access to such account via a debit card

15 connected to the eligible student's name.

16   Sec. 4. Beginning with the 2019-20 school year, a school district

17 shall pay an amount equal to three percent of the anticipated state

18 average per pupil spending into each empowerment savings account

19 established on behalf of an eligible student residing in such school

20 district. Such amount shall be paid in one payment each year on or before

21 the first Friday in September. Such payments shall be made from funds

22 available to the school district. The district shall not seek additional

23 revenue to fund such payments.

24   Sec. 5. Beginning with the 2019-20 school year, the parent or

25 guardian of an eligible student on whose behalf an empowerment savings

26 account has been established may use the funds in such account until the

27 last day of the school fiscal year as defined in section 79-1091 for the

28 following expenses:

29   (1) Online programs approved by the department;

30   (2) Educational therapy or services;

31   (3) Tutoring services;

1   (4) Testing fees; and

2   (5) Bank fees charged for the management of an empowerment savings

3   account.

4   Parents or guardians shall provide itemized receipts from all

5   purchases made from such account to the school district in which such

6   eligible student is enrolled.

7   Sec. 6.   A school district having one or more eligible students

8   shall notify each eligible student's parent or guardian that such student

9   is an eligible student pursuant to the Empowerment Savings Account Act.

10   Sec. 7.   (1) Any funds remaining in an empowerment savings account

11   on the last day of a school fiscal year as defined in section 79-1091

12   shall be returned to the school district which made the deposit required

13   by section 4 of this act.

14   (2) If a school is no longer classified at the lowest performance

15   level established by the State Board of Education or if the student is no

16   longer an eligible student, the empowerment savings account connected to

17   such student's name shall be closed by the state board at the end of the

18   last school year in which such student was an eligible student.

19   Sec. 8.   A school district in which one or more eligible students is

20   enrolled shall maintain records of all expenditures from each empowerment

21   savings account and keep the records on file for audit purposes. Such

22   records shall include the name of the person making the expenditure, the

23   name of the eligible student, the purchaser's relationship to the

24   eligible student, the item or items purchased, and the date of purchase.

25   Such records shall be audited in conjunction with the annual audit

26   required pursuant to section 79-1089.

27   Sec. 9.   The department may adopt and promulgate rules and

28   regulations to carry out the Empowerment Savings Account Act.