

LEGISLATURE OF NEBRASKA
ONE HUNDRED SIXTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 920

Introduced by Groene, 42.

Read first time January 10, 2020

Committee: Education

1 A BILL FOR AN ACT relating to education; to amend sections 79-8,124,
2 79-8,125, 79-8,126, 79-8,128, 79-8,131, 79-8,132, 79-8,133,
3 79-8,135, 79-8,138, 79-8,139, 79-8,140, 79-1064, and 79-1201.01,
4 Reissue Revised Statutes of Nebraska, sections 9-812, 9-836.01,
5 79-759, 79-8,134, 79-8,137, 79-8,137.01, 79-8,137.02, 79-8,137.03,
6 79-8,137.04, 79-8,137.05, 79-1054, 79-1104.02, 79-1337, 79-2503,
7 79-2505, 79-2506, 85-1412, 85-1920, and 85-2009, Revised Statutes
8 Cumulative Supplement, 2018, and sections 79-1003 and 84-304,
9 Revised Statutes Supplement, 2019; to change provisions relating to
10 the State Lottery Operation Trust Fund, the Nebraska Education
11 Improvement Fund, the Nebraska Opportunity Grant Fund, the
12 Excellence in Teaching Cash Fund, the Excellence in Teaching Act,
13 the Department of Education Innovative Grant Fund, the Community
14 College Gap Assistance Program Fund, the Expanded Learning
15 Opportunity Grant Fund, the State Department of Education Cash Fund,
16 the State Department of Education, and the Coordinating Commission
17 for Postsecondary Education; to change the name and provisions of
18 the Master Teacher Program Act; to create funds; to eliminate funds;
19 to transfer powers and duties as prescribed; to define and redefine
20 terms; to provide for funding for schools implementing and offering
21 distance education, and expanded learning opportunities, as
22 prescribed; to provide funding for education pathway software, a
23 consortium, and grants as prescribed; to provide duties; to

1 eliminate obsolete provisions; to harmonize provisions; to provide a
2 duty for the Revisor of Statutes; to provide operative dates; to
3 repeal the original sections; and to outright repeal sections
4 79-8,127, 79-8,129, 79-8,130, and 79-1336, Reissue Revised Statutes
5 of Nebraska, and sections 50-425, 50-426, 50-427, 50-428, and
6 79-10,145, Revised Statutes Cumulative Supplement, 2018.
7 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 9-812, Revised Statutes Cumulative Supplement,
2 2018, is amended to read:

3 9-812 (1) All money received from the operation of lottery games
4 conducted pursuant to the State Lottery Act in Nebraska shall be credited
5 to the State Lottery Operation Trust Fund, which fund is hereby created.
6 All payments of the costs of establishing and maintaining the lottery
7 games shall be made from the State Lottery Operation Cash Fund. In
8 accordance with legislative appropriations, money for payments for
9 expenses of the division shall be transferred from the State Lottery
10 Operation Trust Fund to the State Lottery Operation Cash Fund, which fund
11 is hereby created. All money necessary for the payment of lottery prizes
12 shall be transferred from the State Lottery Operation Trust Fund to the
13 State Lottery Prize Trust Fund, which fund is hereby created. The amount
14 used for the payment of lottery prizes shall not be less than forty
15 percent of the dollar amount of the lottery tickets which have been sold.

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

30 (3) Of the money available to be transferred as provided in this
31 subsection ~~to the Education Innovation Fund, the Nebraska Opportunity~~

1 ~~Grant Fund, the Nebraska Education Improvement Fund, the Nebraska~~
2 ~~Environmental Trust Fund, the Nebraska State Fair Board, and the~~
3 ~~Compulsive Gamblers Assistance Fund:~~

4 (a) The first five hundred thousand dollars shall be transferred to
5 the Compulsive Gamblers Assistance Fund to be used as provided in section
6 9-1006;

7 (b) ~~Forty-four~~ Beginning July 1, 2016, ~~forty-four~~ and one-half
8 percent of the money remaining after the payment of prizes and operating
9 expenses and the initial transfer to the Compulsive Gamblers Assistance
10 Fund shall be used for education and transferred pursuant to subsections
11 (4), (5), and (6) of this section ~~to the Nebraska Education Improvement~~
12 ~~Fund;~~

13 (c) Forty-four and one-half percent of the money remaining after the
14 payment of prizes and operating expenses and the initial transfer to the
15 Compulsive Gamblers Assistance Fund shall be transferred to the Nebraska
16 Environmental Trust Fund to be used as provided in the Nebraska
17 Environmental Trust Act;

18 (d) Ten percent of the money remaining after the payment of prizes
19 and operating expenses and the initial transfer to the Compulsive
20 Gamblers Assistance Fund shall be transferred to the Nebraska State Fair
21 Board if the most populous city within the county in which the fair is
22 located provides matching funds equivalent to ten percent of the funds
23 available for transfer. Such matching funds may be obtained from the city
24 and any other private or public entity, except that no portion of such
25 matching funds shall be provided by the state. If the Nebraska State Fair
26 ceases operations, ten percent of the money remaining after the payment
27 of prizes and operating expenses and the initial transfer to the
28 Compulsive Gamblers Assistance Fund shall be transferred to the General
29 Fund; and

30 (e) One percent of the money remaining after the payment of prizes
31 and operating expenses and the initial transfer to the Compulsive

1 Gamblers Assistance Fund shall be transferred to the Compulsive Gamblers
2 Assistance Fund to be used as provided in section 9-1006.

3 (4) For fiscal years through fiscal year 2020-21, all of the money
4 available to be used for education pursuant to subdivision (3)(b) of this
5 section shall be transferred to the Nebraska Education Improvement Fund.

6 (5) For fiscal years 2021-22 through 2025-26, of the money available
7 to be used for education pursuant to subdivision (3)(b) of this section:

8 (a) Fifty-eight percent of the money shall be transferred to the
9 Nebraska Opportunity Grant Fund;

10 (b) Nine and one-half percent of the money shall be transferred to
11 the Behavioral Training Cash Fund;

12 (c) Eight percent of the money shall be transferred to the
13 Excellence in Teaching Cash Fund;

14 (d) Seven percent of the money shall be used for career-readiness
15 and dual-credit education and transferred as follows:

16 (i) The first two hundred eighty-two thousand five hundred dollars
17 each fiscal year to the State Department of Education Cash Fund for the
18 annual fee for an online education and career planning tool; and

19 (ii) For the remainder:

20 (A) Forty percent to the Access College Early Scholarship Cash Fund;

21 (B) Forty-five percent to the Career-Readiness and Dual-Credit
22 Education Cash Fund; and

23 (C) Fifteen percent to the College Credit Testing Fee Cash Fund;

24 (e) Seven percent of the money shall be transferred to the
25 Department of Education Innovative Grant Fund;

26 (f) Four and one-half percent of the money shall be transferred to
27 the Community College Gap Assistance Program Fund;

28 (g) Three percent of the money shall be transferred to the Expanded
29 Learning Opportunity Grant Fund; and

30 (h) Three percent of the money shall be transferred to the Nebraska
31 Education Improvement Fund.

1 (6) For fiscal year 2026-27 and each fiscal year thereafter, all of
2 the money available to be used for education pursuant to subdivision (3)
3 (b) of this section shall be transferred as the Legislature may direct.

4 (7)(a) ~~(4)~~ The Nebraska Education Improvement Fund is created. The
5 fund shall consist of money transferred pursuant to subsections (4) and
6 (5) ~~subsection (3)~~ of this section, ~~money transferred pursuant to section~~
7 ~~85-1920,~~ and any other funds appropriated by the Legislature. The fund
8 shall be allocated, after actual and necessary administrative expenses,
9 as provided in this subsection ~~section~~ ~~for fiscal years 2016-17 through~~
10 ~~2020-21.~~

11 **(b)** A portion of each allocation pursuant to this subsection may be
12 retained by the agency to which the allocation is made or the agency
13 administering the fund to which the allocation is made for actual and
14 necessary expenses incurred by such agency for administration,
15 evaluation, and technical assistance related to the purposes of the
16 allocation, except that no amount of the allocation to the Nebraska
17 Opportunity Grant Fund may be used for such purposes. ~~On or before~~
18 ~~December 31, 2019, the Education Committee of the Legislature shall~~
19 ~~electronically submit recommendations to the Clerk of the Legislature~~
20 ~~regarding how the fund should be allocated to best advance the~~
21 ~~educational priorities of the state for the five-year period beginning~~
22 ~~with fiscal year 2021-22. For fiscal year 2016-17, an amount equal to ten~~
23 ~~percent of the revenue allocated to the Education Innovation Fund and to~~
24 ~~the Nebraska Opportunity Grant Fund for fiscal year 2015-16 shall be~~
25 ~~retained in the Nebraska Education Improvement Fund.~~

26 **(c)** For fiscal years 2017-18 through 2020-21, an amount equal to ten
27 percent of the revenue received by the Nebraska Education Improvement
28 Fund in the prior fiscal year shall be retained in the fund. The balance
29 of the fund on August 1, 2021, shall be transferred to the Behavioral
30 Training Cash Fund.

31 **(d)** For fiscal years 2016-17 through 2020-21, the Nebraska Education

1 ~~Improvement Fund remainder of the fund, after payment of any learning~~
2 ~~community transition aid pursuant to section 79-10,145,~~ shall be
3 allocated as follows:

4 ~~(i) (a)~~ One percent of the allocated funds to the Expanded Learning
5 Opportunity Grant Fund to carry out the Expanded Learning Opportunity
6 Grant Program Act;

7 ~~(ii) (b)~~ Seventeen percent of the allocated funds to the Department
8 of Education Innovative Grant Fund to be used (i) for competitive
9 innovation grants pursuant to section 79-1054 and (ii) to carry out the
10 purposes of section 79-759;

11 ~~(iii) (c)~~ Nine percent of the allocated funds to the Community
12 College Gap Assistance Program Fund to carry out the community college
13 gap assistance program;

14 ~~(iv) (d)~~ Eight percent of the allocated funds to the Excellence in
15 Teaching Cash Fund to carry out the Excellence in Teaching Act;

16 ~~(v) (e)~~ Sixty-two percent of the allocated funds to the Nebraska
17 Opportunity Grant Fund to carry out the Nebraska Opportunity Grant Act in
18 conjunction with appropriations from the General Fund; and

19 ~~(vi) (f)~~ Three percent of the allocated funds to fund distance
20 education incentives pursuant to section 79-1337; -

21 (e) For fiscal years 2021-22 through 2025-26, the fund shall be
22 allocated to the State Department of Education for distance education
23 incentives pursuant to section 79-1337; and

24 (f) For fiscal year 2026-27 and each fiscal year thereafter, the
25 fund shall be allocated as the Legislature may direct.

26 (8) On or before September 20, 2022, and on or before each September
27 20 thereafter, the department or agency receiving a transfer or acting as
28 the administrator for a fund receiving a transfer pursuant to subdivision
29 (3)(b)(ii) of this section shall prepare an annual report in a manner
30 prescribed by the Auditor of Public Accounts for the immediately
31 preceding July 1 to June 30 fiscal year detailing information regarding

1 the use of money received pursuant to such transfer, including
2 information regarding the use of such money by any recipient or
3 subsequent recipient, and shall submit such report to the Auditor of
4 Public Accounts by such date. The Auditor of Public Accounts shall
5 annually compile a summary of the annual reports received pursuant to
6 this subsection, any audits related to transfers pursuant to subsection
7 (5) of this section conducted by the Auditor of Public Accounts, and any
8 findings or recommendations related to such transfers into a consolidated
9 annual report and shall submit such consolidated annual report
10 electronically to the Legislature on or before January 1, 2023, and on or
11 before each January 1 thereafter through 2027.

12 (9) On or before December 31, 2024, the Education Committee of the
13 Legislature shall electronically submit recommendations to the Clerk of
14 the Legislature regarding how the money used for education from the State
15 Lottery Operation Trust Fund should be allocated to best advance the
16 educational priorities of the state for the five-year period beginning
17 with fiscal year 2026-27.

18 (10) ~~(5)~~ Any money in the State Lottery Operation Trust Fund, the
19 State Lottery Operation Cash Fund, the State Lottery Prize Trust Fund, or
20 the Nebraska Education Improvement Fund, ~~or the Education Innovation Fund~~
21 available for investment shall be invested by the state investment
22 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska
23 State Funds Investment Act.

24 (11) ~~(6)~~ Unclaimed prize money on a winning lottery ticket shall be
25 retained for a period of time prescribed by rules and regulations. If no
26 claim is made within such period, the prize money shall be used at the
27 discretion of the Tax Commissioner for any of the purposes prescribed in
28 this section.

29 Sec. 2. Section 9-836.01, Revised Statutes Cumulative Supplement,
30 2018, is amended to read:

31 9-836.01 The division may endorse and sell for profit tangible

1 personal property related to the lottery. Any money received as profit by
2 the division pursuant to this section shall be remitted to the State
3 Treasurer for credit to the State Lottery Operation Trust Fund to be
4 distributed to the Access College Early Scholarship Cash Fund, the
5 Behavioral Training Cash Fund, the Career-Readiness and Dual-Credit
6 Education Cash Fund, the College Credit Testing Fee Cash Fund, the
7 Community College Gap Assistance Program Fund, the Department of
8 Education Innovative Grant Fund, the Excellence in Teaching Cash Fund,
9 the Expanded Learning Opportunity Grant Fund, the Nebraska Education
10 Improvement Fund ~~Education Innovation Fund~~, the Nebraska Opportunity
11 Grant Fund, ~~the State Department of Education Cash Fund, the Nebraska~~
12 ~~Education Improvement Fund~~, the Nebraska Environmental Trust Fund, and
13 the Compulsive Gamblers Assistance Fund pursuant to the requirements of
14 section 9-812.

15 Sec. 3. Section 79-759, Revised Statutes Cumulative Supplement,
16 2018, is amended to read:

17 79-759 No later than the 2017-18 school year, the State Department
18 of Education shall administer a standard college admission test, selected
19 by the State Board of Education, to students in the eleventh grade
20 attending a public school in the state in lieu of the assessment for the
21 one grade in high school as required under section 79-760.03. The
22 department shall pay the expenses of administering such college admission
23 test ~~and may use funds from the Nebraska Education Improvement Fund as~~
24 ~~provided in section 9-812.~~

25 Sec. 4. Section 79-8,124, Reissue Revised Statutes of Nebraska, is
26 amended to read:

27 79-8,124 Sections 79-8,124 to 79-8,131 shall be known and may be
28 cited as the National Certified ~~Master~~ Teacher Program Act.

29 Sec. 5. Section 79-8,125, Reissue Revised Statutes of Nebraska, is
30 amended to read:

31 79-8,125 The National Certified ~~Master~~ Teacher Program is created.

1 The purpose of the program is to build a group of recognized teachers of
2 high achievement in the teaching profession. The State Department of
3 Education shall administer the program.

4 Sec. 6. Section 79-8,126, Reissue Revised Statutes of Nebraska, is
5 amended to read:

6 79-8,126 For purposes of the National Certified ~~Master~~ Teacher
7 Program Act:

8 (1) Credentialing organization means a national nonprofit
9 organization (a) approved by the State Department of Education, (b) the
10 purpose of which is to establish high and rigorous standards in a broad
11 range of educational areas for what accomplished teachers should know and
12 be able to do, and (c) which issues credentials to teachers who
13 demonstrate that they meet those standards; and

14 (2) Teacher means a person who holds a valid certificate to teach in
15 Nebraska issued by the Commissioner of Education, who has been employed
16 as a teacher for at least three years in a public or private school
17 accredited or approved by the State Department of Education, and who
18 continues to be employed as a teacher in such a school.

19 Sec. 7. Section 79-8,128, Reissue Revised Statutes of Nebraska, is
20 amended to read:

21 79-8,128 Teachers may achieve national certified ~~master~~ teacher
22 status by earning credentials from a credentialing organization. To be
23 eligible for the National Certified ~~Master~~ Teacher Program, a teacher
24 with national certified ~~master~~ teacher status shall apply to the State
25 Department of Education. The department shall maintain a registry of
26 teachers who achieve national certified teacher status.

27 Sec. 8. Section 79-8,131, Reissue Revised Statutes of Nebraska, is
28 amended to read:

29 79-8,131 The State Board of Education shall adopt and promulgate
30 rules and regulations to carry out the National Certified ~~Master~~ Teacher
31 Program Act.

1 Sec. 9. Section 79-8,132, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 ~~79-8,132~~ Sections 9 to 22 of this act ~~79-8,132 to 79-8,140~~ shall be
4 known and may be cited as the Excellence in Teaching Act and shall
5 include the Attracting Excellence to Teaching Program and the Enhancing
6 Excellence in Teaching Program.

7 Sec. 10. (1) On and after July 1, 2021, all powers, duties, and
8 functions that the State Department of Education had pursuant to the
9 Excellence in Teaching Act prior to such date are transferred to the
10 Coordinating Commission for Postsecondary Education.

11 (2) Any financial obligations of the State Department of Education
12 relating to the Excellence in Teaching Act that remain unpaid as of July
13 1, 2021, and that are subsequently certified as valid encumbrances to the
14 accounting division of the Department of Administrative Services pursuant
15 to sections 81-138.01 to 81-138.04, shall be paid by the commission from
16 any unexpended balance in the Excellence in Teaching Cash Fund.

17 (3) On and after July 1, 2021, whenever the State Department of
18 Education is referred to or designated by any contract or other document
19 in connection with any duties and functions under the Excellence in
20 Teaching Act, such reference or designation shall apply to the
21 commission. All contracts entered into by the State Department of
22 Education prior to July 1, 2021, in connection with any duties and
23 functions under the Excellence in Teaching Act are hereby recognized,
24 with the commission succeeding to all rights and obligations under such
25 contracts. Any cash funds, custodial funds, gifts, trusts, and grants and
26 any appropriations of funds from prior fiscal years available to satisfy
27 obligations incurred under such contracts shall be transferred and
28 appropriated to the commission for the payment of such obligations. All
29 documents and records transferred, or copies of the same, may be
30 authenticated or certified by the commission for all legal purposes.

31 (4) No suit, action, or other proceeding, judicial or

1 administrative, lawfully commenced prior to July 1, 2021, or which could
2 have been commenced prior to such date, by or against the State
3 Department of Education, the Commissioner of Education, or any employee
4 of the State Department of Education, in relation to the discharge of
5 duties under the Excellence in Teaching Act, shall abate by reason of the
6 transfer of duties and functions under the Excellence in Teaching Act
7 from the State Department of Education to the commission.

8 (5) On July 1, 2021, all documents and records of the State
9 Department of Education pertaining to duties and functions under the
10 Excellence in Teaching Act shall be transferred to the commission and
11 shall become the property of the commission.

12 Sec. 11. Section 79-8,133, Reissue Revised Statutes of Nebraska, is
13 amended to read:

14 ~~79-8,133~~ The Attracting Excellence to Teaching Program is created.
15 For purposes of the Attracting Excellence to Teaching Program:

16 (1) Commission means the Coordinating Commission for Postsecondary
17 ~~Department means the State Department of Education;~~

18 (2) Eligible institution means a not-for-profit college or
19 university which (a) is located in Nebraska, (b) is accredited by an a
20 ~~regional~~ accrediting agency recognized by the United States Department of
21 Education as determined to be acceptable by the State Board of Education,
22 (c) has a teacher education program, and (d) if a privately funded
23 college or university, has not opted out of the program pursuant to rules
24 and regulations;

25 (3) Eligible student means an individual who (a) is a full-time
26 student, (b) is enrolled in an eligible institution in an undergraduate
27 or a graduate teacher education program working toward his or her initial
28 certificate to teach in Nebraska, (c) if enrolled at a state-funded
29 eligible institution, is a resident student as described in section
30 85-502 or, if enrolled in a privately funded eligible institution, would
31 be deemed a resident student if enrolled in a state-funded eligible

1 institution, and (d) ~~for applicants applying for the first time on or~~
2 ~~after April 23, 2009,~~ is a student majoring in a shortage area, ~~and (e)~~
3 ~~for applicants applying to receive a loan during fiscal year 2011-12 or~~
4 ~~2012-13, is a student who previously received a loan pursuant to the~~
5 ~~Attracting Excellence to Teaching Program in the fiscal year immediately~~
6 ~~preceding the fiscal year in which the new loan would be received;~~

7 (4) Full-time student means, in the aggregate, the equivalent of a
8 student who in a twelve-month period is enrolled in twenty-four semester
9 credit hours for undergraduate students or eighteen semester credit hours
10 for graduate students of classroom, laboratory, clinical, practicum, or
11 independent study course work;

12 (5) Majoring in a shortage area means pursuing a degree which will
13 allow an individual to be properly endorsed to teach in a shortage area;

14 (6) Shortage area means a secular field of teaching for which there
15 is a shortage, as determined by the department, of properly endorsed
16 teachers at the time the borrower first receives funds pursuant to the
17 program; and

18 (7) Teacher education program means a program of study approved by
19 the State Board of Education pursuant to subdivision (5)(g) of section
20 79-318.

21 Sec. 12. Section 79-8,134, Revised Statutes Cumulative Supplement,
22 2018, is amended to read:

23 ~~79-8,134~~ The purposes of the Attracting Excellence to Teaching
24 Program are to:

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

28 (2) Retain resident students and graduates as teachers in the
29 accredited school districts, educational service units, and private
30 schools or approved private schools of Nebraska; and

31 (3) Establish a loan contract that requires a borrower to obtain

1 employment as a teacher in this state after graduation.

2 Sec. 13. Section 79-8,135, Reissue Revised Statutes of Nebraska, is
3 amended to read:

4 ~~79-8,135~~ (1) The commission ~~department~~ shall administer the
5 Attracting Excellence to Teaching Program either directly or by
6 contracting with public or private entities.

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

8 (a) Graduate in the top quarter of his or her high school class or
9 have a minimum cumulative grade-point average of 3.0 on a four-point
10 scale in an eligible institution;

11 (b) Agree to complete a teacher education program at an eligible
12 institution and, ~~for applicants applying for the first time on or after~~
13 ~~April 23, 2009,~~ to complete the major on which the applicant's
14 eligibility is based; and

15 (c) Commit to teach in an accredited or approved public or private
16 school in Nebraska upon (i) successful completion of the teacher
17 education program for which the applicant is applying to the Attracting
18 Excellence to Teaching Program and (ii) becoming certified pursuant to
19 sections 79-806 to 79-815.

20 (3) Except as otherwise provided in this subsection, eligible
21 ~~Eligible~~ students may apply on an annual basis for loans in an amount of
22 not more than three thousand dollars per year. A loan recipient may also
23 apply on a one-time basis for a loan to cover the cost of taking each
24 test required to meet the basic skills competency requirement in section
25 79-809. Loans awarded to individual students shall not exceed a
26 cumulative period exceeding five consecutive years. Loans shall only be
27 awarded through an eligible institution. Loans shall be funded pursuant
28 to section 19 of this act ~~79-8,137.05~~.

29 Sec. 14. Section 79-8,137, Revised Statutes Cumulative Supplement,
30 2018, is 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 commission ~~department~~. Such contract shall
3 be exempt from the requirements of sections 73-501 to 73-510.

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

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

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

12 (2) If the borrower applied for the first time prior to April 23,
13 2009, and (a) successfully completes the teacher education program and
14 becomes certified pursuant to sections 79-806 to 79-815, (b) becomes
15 employed as a teacher in this state within six months of becoming
16 certified, and (c) otherwise meets the requirements of the contract,
17 payments shall be suspended for the number of years that the borrower is
18 required to remain employed as a teacher in this state under the
19 contract. For each year that the borrower teaches in Nebraska pursuant to
20 the contract, payments shall be forgiven in an amount equal to the amount
21 borrowed for one year, except that if the borrower teaches in a school
22 district that is in a local system classified as very sparse as defined
23 in section 79-1003 or teaches in a school district in which at least
24 forty percent of the students are poverty students as defined in section
25 79-1003, payments shall be forgiven each year in an amount equal to the
26 amount borrowed for two years.

27 (3)(a) If the borrower applies for the first time on or after April
28 23, 2009, and (i) successfully completes the teacher education program
29 and major for which the borrower is receiving a forgivable loan pursuant
30 to the program and becomes certified pursuant to sections 79-806 to
31 79-815 with an endorsement in the shortage area for which the loan was

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

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

23 Sec. 15. Section 79-8,137.01, Revised Statutes Cumulative
24 Supplement, 2018, 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) Commission ~~Department~~ means the Coordinating Commission for
28 Postsecondary State Department of Education;

29 (2) Eligible graduate program means a program of study offered by an
30 eligible institution which results in obtaining a graduate degree or a
31 graduate course of study leading to an endorsement in a shortage area

1 specified by the State Department of Education ~~State Board of Education~~;

2 (3) Eligible institution means a not-for-profit college or
3 university which (a) is located in Nebraska, (b) is accredited by an a
4 ~~regional~~ accrediting agency recognized by the United States Department of
5 Education as determined to be acceptable by the State Board of Education,
6 (c) has a teacher education program, and (d) if a privately funded
7 college or university, has not opted out of the Enhancing Excellence in
8 Teaching Program pursuant to rules and regulations;

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

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

29 (6) Shortage area means a secular field of teaching or endorsement
30 area for which there is a shortage, as determined by the department, of
31 properly endorsed teachers at the time the borrower first receives funds

1 pursuant to the Enhancing Excellence in Teaching Program.

2 Sec. 16. Section 79-8,137.02, Revised Statutes Cumulative
3 Supplement, 2018, is amended to read:

4 ~~79-8,137.02~~ The purposes of the Enhancing Excellence in Teaching
5 Program are to:

6 (1) Retain teachers in the accredited school districts, educational
7 service units, and private schools or approved private schools of
8 Nebraska;

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

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

15 Sec. 17. Section 79-8,137.03, Revised Statutes Cumulative
16 Supplement, 2018, is amended to read:

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

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

21 (a) Agree to (i) complete an eligible graduate program at an
22 eligible institution and to complete the program on which the applicant's
23 eligibility is based as determined by the commission or (ii) earn
24 credentials from a credentialing organization that will qualify such
25 teacher for national certified teacher status pursuant to section
26 79-8,128 ~~department~~; and

27 (b) Commit to teach in an accredited or approved public or private
28 school in Nebraska upon successful completion of the eligible graduate
29 program for which the applicant is applying to the Enhancing Excellence
30 in Teaching Program and to maintaining certification pursuant to sections
31 79-806 to 79-815.

1 (3) Eligible students may apply on an annual basis for loans in an
2 amount of (a) not more than one hundred seventy-five dollars per credit
3 hour or (b) up to three hundred fifty dollars for each component
4 associated with earning credentials from a credentialing organization
5 that will qualify such teacher for national certified teacher status.
6 Loans awarded to individual students shall not exceed a cumulative period
7 exceeding five consecutive years. Loans shall only be awarded through the
8 commission department. Loans shall be funded pursuant to section 19 of
9 this act ~~79-8,137.05~~.

10 Sec. 18. Section 79-8,137.04, Revised Statutes Cumulative
11 Supplement, 2018, is amended to read:

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

1 (2)(a) If the borrower (i) successfully completes the eligible
2 graduate program for which the borrower is receiving a forgivable loan
3 pursuant to the Enhancing Excellence in Teaching Program and maintains
4 certification pursuant to sections 79-806 to 79-815, (ii) maintains
5 employment as a teacher in an approved or accredited school in this
6 state, and (iii) otherwise meets the requirements of the contract,
7 payments shall be suspended for the number of years that the borrower is
8 required to remain employed as a teacher in this state under the
9 contract.

10 (b) For recipients who received funds for the first time prior to
11 July 1, 2016, beginning after the first two years of teaching full-time
12 in Nebraska following graduation for the degree for which the loan was
13 received, for each year that the borrower teaches full-time in Nebraska
14 pursuant to the contract, the loan shall be forgiven in an amount equal
15 to three thousand dollars, except that if the borrower teaches full-time
16 in a school district that is in a local system classified as very sparse
17 as defined in section 79-1003, teaches in a school building that provides
18 free meals to all students pursuant to the community eligibility
19 provision, teaches in a school building in which at least forty percent
20 of the students are poverty students as defined in section 79-1003, or
21 teaches in an accredited or approved private school in Nebraska in which
22 at least forty percent of the enrolled students qualified for free
23 lunches as determined by the most recent data available from the State
24 Department of Education ~~department~~, payments shall be forgiven each year
25 in an amount equal to six thousand dollars.

26 (c) For recipients who received funds for the first time on or after
27 July 1, 2016, beginning after the first two years of teaching full-time
28 in Nebraska following completion of the eligible graduate program for
29 which the loan was received, for each year that the borrower teaches
30 full-time in Nebraska pursuant to the contract, the loan shall be
31 forgiven in an amount equal to one thousand five hundred dollars, except

1 that if the borrower teaches full-time in a school district that is in a
2 local system classified as very sparse as defined in section 79-1003,
3 teaches in a school building in which at least forty percent of the
4 students are poverty students as defined in section 79-1003, teaches in a
5 school building that provides free meals to all students pursuant to the
6 community eligibility provision, or teaches in an accredited private
7 school or educational service unit or an approved private school in
8 Nebraska in which at least forty percent of the enrolled students
9 qualified for free lunches as determined by the most recent data
10 available from the State Department of Education department, payments
11 shall be forgiven each year in an amount equal to one thousand five
12 hundred dollars for the first year of loan forgiveness and three thousand
13 dollars for each year of loan forgiveness thereafter.

14 Sec. 19. Section 79-8,137.05, Revised Statutes Cumulative
15 Supplement, 2018, is amended to read:

16 ~~79-8,137.05~~ (1) The Excellence in Teaching Cash Fund is created. The
17 fund shall consist of appropriations by the Legislature, transfers
18 pursuant to section 9-812, and loan repayments, penalties, and interest
19 payments received in the course of administering the Attracting
20 Excellence to Teaching Program and the Enhancing Excellence in Teaching
21 Program.

22 (2)(a) On an annual basis, the commission shall allocate sixty
23 percent of the available funds to the Attracting Excellence to Teaching
24 Program and forty percent of the available funds to the Enhancing
25 Excellence in Teaching Program.

26 (b) The funds allocated to the Attracting Excellence to Teaching
27 Program shall be distributed to eligible institutions according to a
28 distribution formula as determined by rule and regulation. The eligible
29 institutions shall act as agents of the commission in the distribution of
30 the funds to eligible students.

31 (c) The funds allocated to the Enhancing Excellence in Teaching

1 Program shall be distributed to eligible students by the commission.

2 ~~(2) For all fiscal years, the department shall allocate on an annual~~
3 ~~basis up to four hundred thousand dollars in the aggregate of the funds~~
4 ~~to be distributed for the Attracting Excellence to Teaching Program to~~
5 ~~all eligible institutions according to the distribution formula as~~
6 ~~determined by rule and regulation. The eligible institutions shall act as~~
7 ~~agents of the department in the distribution of the funds for the~~
8 ~~Attracting Excellence to Teaching Program to eligible students. The~~
9 ~~department shall allocate on an annual basis up to eight hundred thousand~~
10 ~~dollars of the remaining available funds to be distributed to eligible~~
11 ~~students for the Enhancing Excellence in Teaching Program. Funding~~
12 ~~amounts granted in excess of one million two hundred thousand dollars~~
13 ~~shall be evenly divided for distribution between the two programs.~~

14 ~~(3) Any money remaining in the fund on August 1, 2021, shall be~~
15 ~~transferred to the Nebraska Education Improvement Fund on such date.~~

16 ~~(3) (4) Any money in the Excellence in Teaching Cash Fund available~~
17 ~~for investment shall be invested by the state investment officer pursuant~~
18 ~~to the Nebraska Capital Expansion Act and the Nebraska State Funds~~
19 ~~Investment Act.~~

20 Sec. 20. Section 79-8,138, Reissue Revised Statutes of Nebraska, is
21 amended to read:

22 ~~79-8,138~~ The commission department has the administrative
23 responsibility to track borrowers and to develop repayment tracking and
24 collection mechanisms for the Attracting Excellence to Teaching Program
25 and the Enhancing Excellence in Teaching Program. The commission
26 ~~department~~ may contract for such services. When a loan has been forgiven
27 pursuant to section 14 or 18 of this act ~~79-8,137 or 79-8,137.04~~, the
28 amount forgiven may be taxable income to the borrower and the commission
29 ~~department~~ shall provide notification of the amount forgiven to the
30 borrower, the Department of Revenue, and the United States Internal
31 Revenue Service if required by the Internal Revenue Code.

1 Sec. 21. Section 79-8,139, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 ~~79-8,139~~ (1) Each eligible institution shall file an annual report
4 with the commission department for the Attracting Excellence to Teaching
5 Program and the Enhancing Excellence in Teaching Program for any fiscal
6 year in which the eligible institution receives funding to distribute to
7 students pursuant to either or both of such programs containing such
8 information as required by rule and regulation. On or before December 31
9 of each even-numbered year, the commission department shall submit a
10 report to the Governor, the Clerk of the Legislature, and the Education
11 Committee of the Legislature on the status of the programs, the status of
12 the borrowers, and the impact of the programs on the number of teachers
13 in shortage areas in Nebraska and on the number of teachers receiving
14 graduate degrees in teaching endorsement areas in Nebraska. The report
15 submitted to the Clerk of the Legislature and the committee shall be
16 submitted electronically. Each report shall include information on an
17 institution-by-institution basis, the status of borrowers, and a
18 financial statement with a description of the activity of the Excellence
19 in Teaching Cash Fund.

20 (2) Any report pursuant to this section which includes information
21 about borrowers shall exclude confidential information or any other
22 information which specifically identifies a borrower.

23 Sec. 22. Section 79-8,140, Reissue Revised Statutes of Nebraska, is
24 amended to read:

25 ~~79-8,140~~ The State Board of Education may adopt and promulgate rules
26 and regulations to determine teacher shortage areas. The commission may
27 adopt and promulgate rules and regulations ~~and~~ to carry out the
28 Excellence in Teaching Act.

29 Sec. 23. Section 79-1003, Revised Statutes Supplement, 2019, is
30 amended to read:

31 79-1003 For purposes of the Tax Equity and Educational Opportunities

1 Support Act:

2 (1) Adjusted general fund operating expenditures means (a) for
3 school fiscal years 2013-14 through 2015-16, the difference of the
4 general fund operating expenditures as calculated pursuant to subdivision
5 (23) of this section increased by the cost growth factor calculated
6 pursuant to section 79-1007.10, minus the transportation allowance,
7 special receipts allowance, poverty allowance, limited English
8 proficiency allowance, distance education and telecommunications
9 allowance, elementary site allowance, summer school allowance,
10 instructional time allowance, teacher education allowance, and focus
11 school and program allowance, (b) for school fiscal years 2016-17 through
12 2018-19, the difference of the general fund operating expenditures as
13 calculated pursuant to subdivision (23) of this section increased by the
14 cost growth factor calculated pursuant to section 79-1007.10, minus the
15 transportation allowance, special receipts allowance, poverty allowance,
16 limited English proficiency allowance, distance education and
17 telecommunications allowance, elementary site allowance, summer school
18 allowance, and focus school and program allowance, and (c) for school
19 fiscal year 2019-20 and each school fiscal year thereafter, the
20 difference of the general fund operating expenditures as calculated
21 pursuant to subdivision (23) of this section increased by the cost growth
22 factor calculated pursuant to section 79-1007.10, minus the
23 transportation allowance, special receipts allowance, poverty allowance,
24 limited English proficiency allowance, distance education and
25 telecommunications allowance, elementary site allowance, summer school
26 allowance, community achievement plan allowance, and focus school and
27 program allowance;

28 (2) Adjusted valuation means the assessed valuation of taxable
29 property of each local system in the state, adjusted pursuant to the
30 adjustment factors described in section 79-1016. Adjusted valuation means
31 the adjusted valuation for the property tax year ending during the school

1 fiscal year immediately preceding the school fiscal year in which the aid
2 based upon that value is to be paid. For purposes of determining the
3 local effort rate yield pursuant to section 79-1015.01, adjusted
4 valuation does not include the value of any property which a court, by a
5 final judgment from which no appeal is taken, has declared to be
6 nontaxable or exempt from taxation;

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

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

14 (5) Base fiscal year means the first school fiscal year following
15 the school fiscal year in which the reorganization or unification
16 occurred;

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

18 (7) Categorical funds means funds limited to a specific purpose by
19 federal or state law, including, but not limited to, Title I funds, Title
20 VI funds, federal vocational education funds, federal school lunch funds,
21 Indian education funds, Head Start funds, and funds from the Behavioral
22 Training Cash Fund, the Career-Readiness and Dual-Credit Education Cash
23 Fund, the College Credit Testing Fee Cash Fund, the Department of
24 Education Innovative Grant Fund, the Expanded Learning Opportunity Grant
25 Fund, and the Nebraska Education Improvement ~~Education Innovation~~ Fund;

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

29 (9) Converted contract means an expired contract that was in effect
30 for at least fifteen school years beginning prior to school year 2012-13
31 for the education of students in a nonresident district in exchange for

1 tuition from the resident district when the expiration of such contract
2 results in the nonresident district educating students, who would have
3 been covered by the contract if the contract were still in effect, as
4 option students pursuant to the enrollment option program established in
5 section 79-234;

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

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

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

15 (13) Ensuing school fiscal year means the school fiscal year
16 following the current school fiscal year;

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

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

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

25 (17) Formula students means:

26 (a) For state aid certified pursuant to section 79-1022, the sum of
27 the product of fall membership from the school fiscal year immediately
28 preceding the school fiscal year in which the aid is to be paid
29 multiplied by the average ratio of average daily membership to fall
30 membership for the second school fiscal year immediately preceding the
31 school fiscal year in which the aid is to be paid and the prior two

1 school fiscal years plus sixty percent of the qualified early childhood
2 education fall membership plus tuitioned students from the school fiscal
3 year immediately preceding the school fiscal year in which aid is to be
4 paid minus the product of the number of students enrolled in kindergarten
5 that is not full-day kindergarten from the fall membership multiplied by
6 0.5; and

7 (b) For the final calculation of state aid pursuant to section
8 79-1065, the sum of average daily membership plus sixty percent of the
9 qualified early childhood education average daily membership plus
10 tuitioned students minus the product of the number of students enrolled
11 in kindergarten that is not full-day kindergarten from the average daily
12 membership multiplied by 0.5 from the school fiscal year immediately
13 preceding the school fiscal year in which aid was paid;

14 (18) Free lunch and free milk calculated students means, using the
15 most recent data available on November 1 of the school fiscal year
16 immediately preceding the school fiscal year in which aid is to be paid,
17 (a) for schools that did not provide free meals to all students pursuant
18 to the community eligibility provision, students who individually
19 qualified for free lunches or free milk pursuant to the federal Richard
20 B. Russell National School Lunch Act, 42 U.S.C. 1751 et seq., and the
21 federal Child Nutrition Act of 1966, 42 U.S.C. 1771 et seq., as such acts
22 and sections existed on January 1, 2015, and rules and regulations
23 adopted thereunder, plus (b) for schools that provided free meals to all
24 students pursuant to the community eligibility provision, (i) for school
25 fiscal year 2016-17, the product of the students who attended such school
26 multiplied by the identified student percentage calculated pursuant to
27 such federal provision or (ii) for school fiscal year 2017-18 and each
28 school fiscal year thereafter, the greater of the number of students in
29 such school who individually qualified for free lunch or free milk using
30 the most recent school fiscal year for which the school did not provide
31 free meals to all students pursuant to the community eligibility

1 provision or one hundred ten percent of the product of the students who
2 qualified for free meals at such school pursuant to the community
3 eligibility provision multiplied by the identified student percentage
4 calculated pursuant to such federal provision, except that the free lunch
5 and free milk students calculated for any school pursuant to subdivision
6 (18)(b)(ii) of this section shall not exceed one hundred percent of the
7 students qualified for free meals at such school pursuant to the
8 community eligibility provision;

9 (19) Free lunch and free milk student means, for school fiscal years
10 prior to school fiscal year 2016-17, a student who qualified for free
11 lunches or free milk from the most recent data available on November 1 of
12 the school fiscal year immediately preceding the school fiscal year in
13 which aid is to be paid;

14 (20) Full-day kindergarten means kindergarten offered by a district
15 for at least one thousand thirty-two instructional hours;

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

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

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

1 as defined in section 79-1201.01 for providing distance education courses
2 through the Educational Service Unit Coordinating Council to such
3 educational entities, private foundations, individuals, associations,
4 charitable organizations, the textbook loan program authorized by section
5 79-734, federal impact aid, and levy override elections pursuant to
6 section 77-3444, (b) the amount of expenditures for categorical funds,
7 tuition paid, transportation fees paid to other districts, adult
8 education, community services, redemption of the principal portion of
9 general fund debt service, retirement incentive plans authorized by
10 section 79-855, and staff development assistance authorized by section
11 79-856, (c) the amount of any transfers from the general fund to any bond
12 fund and transfers from other funds into the general fund, (d) any legal
13 expenses in excess of fifteen-hundredths of one percent of the formula
14 need for the school fiscal year in which the expenses occurred, (e)(i)
15 for state aid calculated for school fiscal years prior to school fiscal
16 year 2018-19, expenditures to pay for sums agreed to be paid by a school
17 district to certificated employees in exchange for a voluntary
18 termination occurring prior to July 1, 2009, occurring on or after the
19 last day of the 2010-11 school year and prior to the first day of the
20 2013-14 school year, or, to the extent that a district has demonstrated
21 to the State Board of Education pursuant to section 79-1028.01 that the
22 agreement will result in a net savings in salary and benefit costs to the
23 school district over a five-year period, occurring on or after the first
24 day of the 2013-14 school year or (ii) for state aid calculated for
25 school fiscal year 2018-19 and each school fiscal year thereafter,
26 expenditures to pay for incentives agreed to be paid by a school district
27 to certificated employees in exchange for a voluntary termination of
28 employment for which the State Board of Education approved an exclusion
29 pursuant to subdivision (1)(h), (i), (j), or (k) of section 79-1028.01,
30 (f)(i) expenditures to pay for employer contributions pursuant to
31 subsection (2) of section 79-958 to the School Employees Retirement

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

12 For purposes of this subdivision (23) of this section, receipts from
13 levy override elections shall equal ninety-nine percent of the difference
14 of the total general fund levy minus a levy of one dollar and five cents
15 per one hundred dollars of taxable valuation multiplied by the assessed
16 valuation for school districts that have voted pursuant to section
17 77-3444 to override the maximum levy provided pursuant to section
18 77-3442;

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

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

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

1 difference is greater than zero;

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

3 (28) Low-income child means (a) for school fiscal years prior to
4 2016-17, a child under nineteen years of age living in a household having
5 an annual adjusted gross income for the second calendar year preceding
6 the beginning of the school fiscal year for which aid is being calculated
7 equal to or less than the maximum household income that would allow a
8 student from a family of four people to be a free lunch and free milk
9 student during the school fiscal year immediately preceding the school
10 fiscal year for which aid is being calculated and (b) for school fiscal
11 year 2016-17 and each school fiscal year thereafter, a child under
12 nineteen years of age living in a household having an annual adjusted
13 gross income for the second calendar year preceding the beginning of the
14 school fiscal year for which aid is being calculated equal to or less
15 than the maximum household income pursuant to sections 9(b)(1) and 17(c)
16 (4) of the Richard B. Russell National School Lunch Act, 42 U.S.C.
17 1758(b)(1) and 42 U.S.C. 1766(c)(4), respectively, and sections 3(a)(6)
18 and 4(e)(1)(A) of the Child Nutrition Act of 1966, 42 U.S.C. 1772(a)(6)
19 and 42 U.S.C. 1773(e)(1)(A), respectively, as such acts and sections
20 existed on January 1, 2015, for a household of that size that would have
21 allowed the child to meet the income qualifications for free meals during
22 the school fiscal year immediately preceding the school fiscal year for
23 which aid is being calculated;

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

28 (30) Most recently available complete data year means the most
29 recent single school fiscal year for which the annual financial report,
30 fall school district membership report, annual statistical summary,
31 Nebraska income tax liability by school district for the calendar year in

1 which the majority of the school fiscal year falls, and adjusted
2 valuation data are available;

3 (31) Poverty students means (a) for school fiscal years prior to
4 2016-17, the number of low-income students or the number of students who
5 are free lunch and free milk students in a district plus the difference
6 of the number of low-income students or the number of students who are
7 free lunch and free milk students in a district, whichever is greater,
8 minus the average number of poverty students for such district, prior to
9 such addition, for the three immediately preceding school fiscal years if
10 such difference is greater than zero and (b) for school fiscal year
11 2016-17 and each school fiscal year thereafter, the unadjusted poverty
12 students plus the difference of such unadjusted poverty students minus
13 the average number of poverty students for such district, prior to such
14 addition, for the three immediately preceding school fiscal years if such
15 difference is greater than zero;

16 (32) Qualified early childhood education average daily membership
17 means the product of the average daily membership for school fiscal year
18 2006-07 and each school fiscal year thereafter of students who will be
19 eligible to attend kindergarten the following school year and are
20 enrolled in an early childhood education program approved by the
21 department pursuant to section 79-1103 for such school district for such
22 school year multiplied by the ratio of the actual instructional hours of
23 the program divided by one thousand thirty-two if: (a) The program is
24 receiving a grant pursuant to such section for the third year; (b) the
25 program has already received grants pursuant to such section for three
26 years; or (c) the program has been approved pursuant to subsection (5) of
27 section 79-1103 for such school year and the two preceding school years,
28 including any such students in portions of any of such programs receiving
29 an expansion grant;

30 (33) Qualified early childhood education fall membership means the
31 product of membership on October 1 of each school year of students who

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

12 (34) Regular route transportation means the transportation of
13 students on regularly scheduled daily routes to and from the attendance
14 center;

15 (35) Reorganized district means any district involved in a
16 consolidation and currently educating students following consolidation;

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

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

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

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

30 (c)(i) Less than one and one-half formula students per square mile
31 in the local system and (ii) more than two hundred seventy-five square

1 miles in the local system; or

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

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

9 (39) Special grant funds means the budgeted receipts for grants,
10 including, but not limited to, categorical funds, reimbursements for
11 wards of the court, short-term borrowings including, but not limited to,
12 registered warrants and tax anticipation notes, interfund loans,
13 insurance settlements, and reimbursements to county government for
14 previous overpayment. The state board shall approve a listing of grants
15 that qualify as special grant funds;

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

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

19 (42) State support means all funds provided to districts by the
20 State of Nebraska for the general fund support of elementary and
21 secondary education;

22 (43) Statewide average basic funding per formula student means the
23 statewide total basic funding for all districts divided by the statewide
24 total formula students for all districts;

25 (44) Statewide average general fund operating expenditures per
26 formula student means the statewide total general fund operating
27 expenditures for all districts divided by the statewide total formula
28 students for all districts;

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

30 (46) Temporary aid adjustment factor means (a) for school fiscal
31 years before school fiscal year 2007-08, one and one-fourth percent of

1 the sum of the local system's transportation allowance, the local
2 system's special receipts allowance, and the product of the local
3 system's adjusted formula students multiplied by the average formula cost
4 per student in the local system's cost grouping and (b) for school fiscal
5 year 2007-08, one and one-fourth percent of the sum of the local system's
6 transportation allowance, special receipts allowance, and distance
7 education and telecommunications allowance and the product of the local
8 system's adjusted formula students multiplied by the average formula cost
9 per student in the local system's cost grouping;

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

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

17 (49) Unadjusted poverty students means, for school fiscal year
18 2016-17 and each school fiscal year thereafter, the greater of the number
19 of low-income students or the free lunch and free milk calculated
20 students in a district; and

21 (50) Very sparse local system means a local system that has:

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

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

1 paved roads.

2 Sec. 24. Section 79-1054, Revised Statutes Cumulative Supplement,
3 2018, is amended to read:

4 79-1054 (1) The State Board of Education shall establish a
5 competitive innovation grant program with funding ~~from the Nebraska~~
6 ~~Education Improvement Fund~~ pursuant to section 9-812. Grantees shall be a
7 school district, an educational service unit, or a combination of
8 entities that includes at least one school district or educational
9 service unit. For grantees that consist of a combination of entities, a
10 participating school district or educational service unit shall be
11 designated to act as the fiscal agent and administer the program funded
12 by the grant. The state board shall only award grants pursuant to
13 applications that the state board deems to be sufficiently innovative and
14 to have a high chance of success.

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

17 (a) Specific measurable objectives for improving education outcomes
18 for early childhood students, elementary students, middle school
19 students, or high school students or for improving the transitions
20 between any successive stages of education or between education and the
21 workforce;

22 (b) The method for annually evaluating progress toward a measurable
23 objective, with a summative evaluation of progress submitted to the state
24 board and electronically to the Education Committee of the Legislature on
25 or before July 1 of each odd-numbered year ~~, 2019~~;

26 (c) The potential for the project to be both scalable and
27 replicable; and

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

30 (3) Based on evaluations received ~~on or before July 1, 2019~~, for
31 each grant, the State Board of Education shall recommend the grant

1 project as:

2 (a) Representing a best practice;

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

4 (c) A local issue for further study.

5 (4) On or before ~~December 1, 2017, and on or before~~ December 1 of
6 each year ~~thereafter~~, the state board shall electronically submit a
7 report to the Clerk of the Legislature on all such grants, including, but
8 not limited to, the results of the evaluations for each grant. The state
9 board may adopt and promulgate rules and regulations to carry out this
10 section, including, but not limited to, application procedures, selection
11 procedures, and annual evaluation reporting procedures.

12 (5) The Department of Education Innovative Grant Fund is created.
13 The fund shall be administered by the State Department of Education and
14 shall consist of transfers pursuant to section 9-812, repayments of grant
15 funds, and interest payments received in the course of administering this
16 section. The fund shall be used to carry out this section. Any money in
17 the fund available for investment shall be invested by the state
18 investment officer pursuant to the Nebraska Capital Expansion Act and the
19 Nebraska State Funds Investment Act.

20 Sec. 25. Section 79-1064, Reissue Revised Statutes of Nebraska, is
21 amended to read:

22 79-1064 The State Department of Education Cash Fund is created.
23 Except as to other revenue the disposition of which is otherwise provided
24 for, all sums of money received by the State Department of Education from
25 the sale of goods and materiel, fees from any training program or
26 services rendered, and any revenue such department may receive from any
27 other source shall be remitted to the State Treasurer for credit to the
28 State Department of Education Cash Fund. The State Treasurer shall
29 disburse such amounts in the fund as are available and considered
30 incident to the administration and operation of the State Department of
31 Education. Money transferred to the fund pursuant to section 9-812 shall

1 be used as directed in such section. Money in the State Department of
2 Education Cash Fund may be transferred to the General Fund at the
3 direction of the Legislature. All disbursements for the State Department
4 of Education Cash Fund shall be made upon vouchers issued by the State
5 Department of Education and warrants drawn by the Director of
6 Administrative Services. Any money in the State Department of Education
7 Cash Fund available for investment shall be invested by the state
8 investment officer pursuant to the Nebraska Capital Expansion Act and the
9 Nebraska State Funds Investment Act.

10 Sec. 26. Section 79-1104.02, Revised Statutes Cumulative Supplement,
11 2018, is amended to read:

12 79-1104.02 (1) The Early Childhood Education Endowment Cash Fund,
13 consisting of the interest, earnings, and proceeds from the Early
14 Childhood Education Endowment Fund and the earnings from the private
15 endowment created by the endowment provider, ~~funds transferred from the~~
16 ~~Education Innovation Fund pursuant to section 9-812,~~ and any additional
17 private donations made directly thereto, shall be used exclusively to
18 provide funds for the Early Childhood Education Grant Program for at-risk
19 children from birth to age three as set forth in this section.

20 (2) Grants provided by this section shall be to school districts and
21 cooperatives of school districts for early childhood education programs
22 for at-risk children from birth to age three, as determined by the board
23 of trustees pursuant to criteria set forth by the board of trustees.
24 School districts and cooperatives of school districts may establish
25 agreements with other public and private entities to provide services or
26 operate programs.

27 (3) Each program selected for a grant pursuant to this section may
28 be provided a grant for up to one-half of the total budget of such
29 program per year. Programs selected for grant awards may receive
30 continuation grants subject to the availability of funding and the
31 submission of a continuation plan which meets the requirements of the

1 board of trustees.

2 (4) Programs shall be funded across the state and in urban and rural
3 areas to the fullest extent possible.

4 (5) Each program selected for a grant pursuant to this section shall
5 meet the requirements described in subsection (2) of section 79-1103,
6 except that the periodic evaluations of the program are to be specified
7 by the board of trustees and the programs need not include continuity
8 with programs in kindergarten and elementary grades and need not include
9 instructional hours that are similar to or less than the instructional
10 hours for kindergarten. The programs may continue to serve at-risk
11 children who turn three years of age during the program year until the
12 end of the program year, as specified by the board of trustees.

13 (6) The board of trustees may issue grants to early childhood
14 education programs entering into agreements pursuant to subsection (2) of
15 this section with child care providers if the child care provider enrolls
16 in the quality rating and improvement system described in the Step Up to
17 Quality Child Care Act prior to the beginning of the initial grant
18 period. Child care providers shall participate in training approved by
19 the Early Childhood Training Center which is needed for participation or
20 advancement in the quality rating and improvement system.

21 (7) The board of trustees shall require child care providers in
22 programs receiving grants under this section to obtain a step three
23 rating or higher on the quality scale described in section 71-1956 within
24 three years of the starting date of the initial grant period to continue
25 funding the program. The board of trustees shall require the child care
26 provider to maintain a step three rating or higher on such quality scale
27 after three years from the starting date of the initial grant period to
28 continue funding the program.

29 (8) If a child care provider fails to achieve or maintain a step
30 three rating or higher on the quality scale described in such section
31 after three years from the starting date of the initial grant period, the

1 child care provider shall obtain and maintain the step three rating on
2 such quality scale before any new or continuing grants may be issued for
3 programs in which such child care provider participates.

4 (9) Any school district entering into agreements pursuant to
5 subsection (2) of this section with child care providers must employ or
6 contract with, either directly or indirectly, a program coordinator
7 holding a certificate as defined in section 79-807.

8 (10) Up to ten percent of the total amount deposited in the Early
9 Childhood Education Endowment Cash Fund each fiscal year may be reserved
10 by the board of trustees for evaluation and technical assistance for the
11 Early Childhood Education Grant Program with respect to programs for at-
12 risk children from birth to age three.

13 Sec. 27. Section 79-1201.01, Reissue Revised Statutes of Nebraska,
14 is amended to read:

15 79-1201.01 For purposes of the Educational Service Units Act and
16 section ~~sections 79-1336 and 79-1337~~:

17 (1) Distance education course means a course with at least one
18 student in any of grades kindergarten through twelve who is in a
19 different location than the teacher and taught by a teacher employed by
20 an educational entity utilizing either two-way interactive video or the
21 Internet without two-way interactive video. Distance education course
22 includes a dual-enrollment course with at least one student who is in a
23 different location than the teacher and taught by a teacher employed by
24 an educational entity utilizing either two-way interactive video or the
25 Internet without two-way interactive video;

26 (2) Dual-enrollment course means a course taught to students for
27 credit at both a high school and a postsecondary educational institution;

28 (3) Educational entity means a school district, a private,
29 denominational, or parochial school, an educational service unit, a
30 community college, a state college, the University of Nebraska, or a
31 nonprofit private postsecondary educational institution;

1 (4) Elementary distance education course means a distance education
2 course which is delivered utilizing two-way interactive video to students
3 who are enrolled in any of grades kindergarten through eight;

4 (5) Network Nebraska means the network created pursuant to section
5 86-5,100;

6 (6) Qualified distance education course means a distance education
7 course which meets any applicable rules and regulations of the State
8 Department of Education, is offered for one semester of high school
9 credit or the equivalent, and for which all of the participating
10 educational entities are required to have access to Network Nebraska;

11 (7) Technical training means training to equip educators with
12 knowledge about the skills and tools necessary to infuse technological
13 resources and software applications into the curriculum to be used in
14 classrooms with and by students and includes, but is not limited to,
15 computer workstation troubleshooting, distance education, educational
16 software, Internet resources, local area network management, multimedia
17 presentation tools, and strategic planning;

18 (8) Technology includes technical training and technology
19 infrastructure;

20 (9) Technology infrastructure means hardware-related items necessary
21 for schools to interact electronically throughout the state, including,
22 but not limited to, physical connections, wiring, servers, routers,
23 switches, domain name service, and operating systems and human resources
24 necessary to maintain infrastructure, including, but not limited to,
25 systems engineers, programmers, webmasters, and help desk staff; and

26 (10) Two-way interactive video distance education course means a
27 distance education course in which a teacher delivers instruction to
28 students in a different location than the teacher using two-way
29 interactive video on at least two different days per week during the
30 course.

31 Sec. 28. Section 79-1337, Revised Statutes Cumulative Supplement,

1 2018, is amended to read:

2 79-1337 (1) For fiscal years 2007-08 through 2025-26 ~~2020-21~~, the
3 State Department of Education shall provide distance education incentives
4 to school districts and educational service units for qualified distance
5 education courses coordinated through the Educational Service Unit
6 Coordinating Council as provided in this section. ~~Funding Through fiscal~~
7 ~~year 2015-16, funding for such distance education incentives shall come~~
8 ~~from the Education Innovation Fund. For fiscal years 2016-17 through~~
9 ~~2020-21, funding~~ for such distance education incentives shall come from
10 the Nebraska Education Improvement Fund.

11 (2) School districts and educational service units shall apply for
12 incentives annually through calendar year 2025 ~~2020~~ to the department on
13 or before August 1 on a form specified by the department. The application
14 shall:

15 (a) For school districts, specify (i) the qualified distance
16 education courses which were received by students in the membership of
17 the district in the then-current school fiscal year and which were not
18 taught by a teacher employed by the school district and (ii) for each
19 such course (A) the number of students in the membership of the district
20 who received the course, (B) the educational entity employing the
21 teacher, and (C) whether the course was a two-way interactive video
22 distance education course; and

23 (b) For school districts and educational service units, specify (i)
24 the qualified distance education courses which were received by students
25 in the membership of another educational entity in the then-current
26 school fiscal year and which were taught by a teacher employed by the
27 school district or educational service unit, (ii) for each such course
28 for school districts, the number of students in the membership of the
29 district who received the course, and (iii) for each such course (A) the
30 other educational entities in which students received the course and how
31 many students received the course at such educational entities, (B) any

1 school district that is sparse or very sparse as such terms are defined
2 in section 79-1003 that had at least one student in the membership who
3 received the course, and (C) whether the course was a two-way interactive
4 video distance education course.

5 (3) On or before September 1 of each year through calendar year 2025
6 ~~2020~~, the department shall certify the incentives for each school
7 district and educational service unit which shall be paid on or before
8 October 1 of such year. The incentives for each district shall be
9 calculated as follows:

10 (a) Each district shall receive distance education units for each
11 qualified distance education course as follows:

12 (i) One distance education unit for each qualified distance
13 education course received as reported pursuant to subdivision (2)(a) of
14 this section if the course was a two-way interactive video distance
15 education course;

16 (ii) One distance education unit for each qualified distance
17 education course sent as reported pursuant to subdivision (2)(b) of this
18 section if the course was not received by at least one student who was in
19 the membership of another school district which was sparse or very
20 sparse;

21 (iii) One distance education unit for each qualified distance
22 education course sent as reported pursuant to subdivision (2)(b) of this
23 section if the course was received by at least one student who was in the
24 membership of another school district which was sparse or very sparse,
25 but the course was not a two-way interactive video distance education
26 course; and

27 (iv) Two distance education units for each qualified distance
28 education course sent as reported pursuant to subdivision (2)(b) of this
29 section if the course was received by at least one student who was in the
30 membership of another school district which was sparse or very sparse and
31 the course was a two-way interactive video distance education course;

1 (b) The ~~difference of the~~ amount available for distribution in the
2 Nebraska Education Improvement Innovation Fund on the August 1 when the
3 applications were due ~~minus any amount to be paid to school districts~~
4 ~~pursuant to section 79-1336~~ shall be divided by the number of distance
5 education units to determine the incentive per distance education unit,
6 except that the incentive per distance education unit shall not equal an
7 amount greater than one thousand dollars; and

8 (c) The incentives for each school district shall equal the number
9 of distance education units calculated for the school district multiplied
10 by the incentive per distance education unit.

11 (4) If there are additional funds available for distribution after
12 ~~equipment reimbursements pursuant to section 79-1336~~ and incentives
13 calculated pursuant to subsections (1) through (3) of this section,
14 school districts and educational service units may qualify for additional
15 incentives for elementary distance education courses. Such incentives
16 shall be calculated for sending and receiving school districts and
17 educational service units as follows:

18 (a) The per-hour incentives shall equal the funds available for
19 distribution after ~~equipment reimbursements pursuant to section 79-1336~~
20 ~~and~~ incentives calculated pursuant to subsections (1) through (3) of this
21 section divided by the sum of the hours of elementary distance education
22 courses sent or received for each school district and educational service
23 unit submitting an application, except that the per-hour incentives shall
24 not be greater than ten dollars; and

25 (b) The elementary distance education incentives for each school
26 district and educational service unit shall equal the per-hour incentive
27 multiplied by the hours of elementary distance education courses sent or
28 received by the school district or educational service unit.

29 (5) The department may verify any or all application information
30 using annual curriculum reports and may request such verification from
31 the council.

1 (6) On or before October 1 of each year through calendar year 2025
2 ~~2020~~, a school district or educational service unit may appeal the denial
3 of incentives for any course by the department to the State Board of
4 Education. The board shall allow a representative of the school district
5 or educational service unit an opportunity to present information
6 concerning the appeal to the board at the November board meeting. If the
7 board finds that the course meets the requirements of this section, the
8 department shall pay the district from the Nebraska Education Improvement
9 ~~Innovation~~ Fund as soon as practical in an amount for which the district
10 or educational service unit should have qualified based on the incentive
11 per distance education unit used in the original certification of
12 incentives pursuant to this section.

13 (7) The State Board of Education shall adopt and promulgate rules
14 and regulations to carry out this section.

15 Sec. 29. Section 79-2503, Revised Statutes Cumulative Supplement,
16 2018, is amended to read:

17 79-2503 For purposes of the Expanded Learning Opportunity Grant
18 Program Act:

19 (1) Community learning center has the definition found in 20 U.S.C.
20 7171(b)(1), as such section existed on January 1, 2020 ~~2015~~;

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

22 (3) Expanded learning opportunity program means a school-community
23 partnership that provides participating elementary-age and secondary-age
24 students and their families with programming and other support activities
25 and services after school and on weekends, holidays, and other hours when
26 school is not in session through a mix of programs and services that (a)
27 complement but do not duplicate elementary and secondary school day
28 learning and (b) create opportunities to strengthen school-community
29 partnerships that provide students and their families with the support
30 they need to be successful in school; and

31 (4) High-need school district means a school district in which forty

1 percent or more of the enrolled students qualify for free and reduced
2 price meals under the National School Lunch Program, 7 C.F.R. part 210,
3 as such regulations existed on January 1, 2020 ~~2015~~.

4 Sec. 30. Section 79-2505, Revised Statutes Cumulative Supplement,
5 2018, is amended to read:

6 79-2505 Of the funds available to ~~The first priority of the~~
7 Expanded Learning Opportunity Grant Program, one-third of such funds
8 shall be used for ~~is to continue~~ existing 21st Century Community Learning
9 Centers funded by the federal 21st Century Community Learning Center
10 program pursuant to 20 U.S.C. 7171 et seq., as such sections existed on
11 January 1, 2020 ~~2015~~, in high-need school districts that have a record of
12 success. The remaining two-thirds of the available funds ~~second priority~~
13 shall be used to support ~~for~~ new expanded learning opportunity program
14 development in areas of the state with a high percentage of at-risk
15 children that are not currently served by school-based or school-linked
16 expanded learning opportunity programs funded by the federal 21st Century
17 Community Learning Center program pursuant to 20 U.S.C. 7171 et seq., as
18 such sections existed on January 1, 2020 ~~2015~~.

19 Sec. 31. Section 79-2506, Revised Statutes Cumulative Supplement,
20 2018, is amended to read:

21 79-2506 (1) The department shall establish an application process
22 and timeline pursuant to which partner organizations may submit proposals
23 for a grant under the Expanded Learning Opportunity Grant Program. Each
24 proposal shall include:

25 (a) A grant planning period;

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

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

30 (d) A plan to coordinate and use a combination of local, state,
31 philanthropic, and federal funding sources, including, but not limited

1 to, funding available through the federal No Child Left Behind Act of
2 2001, 20 U.S.C. 6301 et seq., as such act and sections existed on January
3 1, ~~2020~~ 2015, from the Expanded Learning Opportunity Grant Fund funds
4 ~~allocated pursuant to section 9-812~~, and funds from any other source
5 designated or appropriated for purposes of the program. Funding provided
6 by the Expanded Learning Opportunity Grant Program shall be matched on a
7 one-to-one basis by community or partner contributions;

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

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

11 (g) Appropriately qualified staff;

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

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

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

16 (k) Developmentally and culturally appropriate practices and
17 assessments.

18 (2) The proposal shall demonstrate how the expanded learning
19 opportunity program will provide participating students with academic
20 enrichment and expanded learning opportunities that are high quality,
21 based on proven methods, if appropriate, and designed to complement
22 students' regular academic programs. Such activities shall include two or
23 more of the following:

24 (a) Core education subjects of reading, writing, mathematics, and
25 science;

26 (b) Academic enrichment learning programs, including provision of
27 additional assistance to students to allow the students to improve their
28 academic achievement;

29 (c) Science, technology, engineering, and mathematics (STEM)
30 education;

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

- 1 (e) Remedial education activities;
 - 2 (f) Tutoring services, including, but not limited to, tutoring
 - 3 services provided by senior citizen volunteers;
 - 4 (g) Arts and music education;
 - 5 (h) Entrepreneurial education programs;
 - 6 (i) Telecommunications and technology education programs;
 - 7 (j) Programs for English language learners that emphasize language
 - 8 skills and academic achievement;
 - 9 (k) Mentoring programs;
 - 10 (l) Recreational activities;
 - 11 (m) Expanded library service hours;
 - 12 (n) Programs that provide assistance to students who have been
 - 13 truant, suspended, or expelled to allow such students to improve their
 - 14 academic achievement;
 - 15 (o) Drug abuse prevention and violence prevention programs;
 - 16 (p) Character education programs;
 - 17 (q) Health and nutritional services;
 - 18 (r) Behavioral health counseling services; and
 - 19 (s) Programs that promote parental involvement and family literacy.
- 20 (3) A proposal shall: (a) Demonstrate specifically how its
- 21 activities are expected to improve student academic achievement; (b)
- 22 demonstrate that its activities will be provided by organizations in
- 23 partnership with the school that have experience or the promise of
- 24 success in providing educational and related activities that will
- 25 complement and enhance the academic performance, achievement, and
- 26 positive development of the students; and (c) demonstrate that the
- 27 expanded learning opportunity program aligns with the school district
- 28 learning objectives and behavioral codes. Nothing in this subsection
- 29 shall be construed to require an expanded learning opportunity program to
- 30 provide academic services in specific subject areas.
- 31 (4) The department shall make an effort to fund expanded learning

1 opportunity programs in both rural and urban areas of the state. The
2 department shall award grants to proposals that offer a broad array of
3 services, programs, and activities.

4 Sec. 32. Section 84-304, Revised Statutes Supplement, 2019, is
5 amended to read:

6 84-304 It shall be the duty of the Auditor of Public Accounts:

7 (1) To give information electronically to the Legislature, whenever
8 required, upon any subject relating to the fiscal affairs of the state or
9 with regard to any duty of his or her office;

10 (2) To furnish offices for himself or herself and all fuel, lights,
11 books, blanks, forms, paper, and stationery required for the proper
12 discharge of the duties of his or her office;

13 (3)(a) To examine or cause to be examined, at such time as he or she
14 shall determine, books, accounts, vouchers, records, and expenditures of
15 all state officers, state bureaus, state boards, state commissioners, the
16 state library, societies and associations supported by the state, state
17 institutions, state colleges, and the University of Nebraska, except when
18 required to be performed by other officers or persons. Such examinations
19 shall be done in accordance with generally accepted government auditing
20 standards for financial audits and attestation engagements set forth in
21 Government Auditing Standards (2011 Revision), published by the
22 Comptroller General of the United States, Government Accountability
23 Office, and except as provided in subdivision (11) ~~(10)~~ of this section,
24 subdivision (16) of section 50-1205, and section 84-322, shall not
25 include performance audits, whether conducted pursuant to attestation
26 engagements or performance audit standards as set forth in Government
27 Auditing Standards (2011 Revision), published by the Comptroller General
28 of the United States, Government Accountability Office.

29 (b) Any entity, excluding the state colleges and the University of
30 Nebraska, that is audited or examined pursuant to subdivision (3)(a) of
31 this section and that is the subject of a comment and recommendation in a

1 management letter or report issued by the Auditor of Public Accounts
2 shall, on or before six months after the issuance of such letter or
3 report, provide to the Auditor of Public Accounts a detailed written
4 description of any corrective action taken or to be taken in response to
5 the comment and recommendation. The Auditor of Public Accounts may
6 investigate and evaluate the corrective action. The Auditor of Public
7 Accounts shall then electronically submit a report of any findings of
8 such investigation and evaluation to the Governor, the appropriate
9 standing committee of the Legislature, and the Appropriations Committee
10 of the Legislature. The Auditor of Public Accounts shall also ensure that
11 the report is delivered to the Appropriations Committee for entry into
12 the record during the committee's budget hearing process;

13 (4)(a) To examine or cause to be examined, at the expense of the
14 political subdivision, when the Auditor of Public Accounts determines
15 such examination necessary or when requested by the political
16 subdivision, the books, accounts, vouchers, records, and expenditures of
17 any agricultural association formed under Chapter 2, article 20, any
18 county agricultural society, any joint airport authority formed under the
19 Joint Airport Authorities Act, any city or county airport authority, any
20 bridge commission created pursuant to section 39-868, any cemetery
21 district, any community redevelopment authority or limited community
22 redevelopment authority established under the Community Development Law,
23 any development district, any drainage district, any health district, any
24 local public health department as defined in section 71-1626, any
25 historical society, any hospital authority or district, any county
26 hospital, any housing agency as defined in section 71-1575, any
27 irrigation district, any county or municipal library, any community
28 mental health center, any railroad transportation safety district, any
29 rural water district, any township, Wyuka Cemetery, the Educational
30 Service Unit Coordinating Council, any entity created pursuant to the
31 Interlocal Cooperation Act, any educational service unit, any village,

1 any service contractor or subrecipient of state or federal funds, any
2 political subdivision with the authority to levy a property tax or a
3 toll, or any entity created pursuant to the Joint Public Agency Act.

4 For purposes of this subdivision, service contractor or subrecipient
5 means any nonprofit entity that expends state or federal funds to carry
6 out a state or federal program or function, but it does not include an
7 individual who is a direct beneficiary of such a program or function or a
8 licensed health care provider or facility receiving direct payment for
9 medical services provided for a specific individual.

10 (b) The Auditor of Public Accounts may waive the audit requirement
11 of subdivision (4)(a) of this section upon the submission by the
12 political subdivision of a written request in a form prescribed by the
13 auditor. The auditor shall notify the political subdivision in writing of
14 the approval or denial of the request for a waiver.

15 (c) Through December 31, 2017, the Auditor of Public Accounts may
16 conduct audits under this subdivision for purposes of sections 2-3228,
17 12-101, 13-2402, 14-567, 14-1805.01, 14-2111, 15-1017, 16-1017, 16-1037,
18 19-3501, 23-1118, 23-3526, 71-1631.02, and 79-987.

19 (d) Beginning on May 24, 2017, the Auditor of Public Accounts may
20 conduct audits under this subdivision for purposes of sections 13-2402,
21 14-567, 14-1805.01, 14-2111, 15-1017, 16-1017, 16-1037, 18-814,
22 71-1631.02, and 79-987 and shall prescribe the form for the annual
23 reports required in each of such sections. Such annual reports shall be
24 published annually on the web site of the Auditor of Public Accounts;

25 (5) To report promptly to the Governor and the appropriate standing
26 committee of the Legislature the fiscal condition shown by such
27 examinations conducted by the auditor, including any irregularities or
28 misconduct of officers or employees, any misappropriation or misuse of
29 public funds or property, and any improper system or method of
30 bookkeeping or condition of accounts. The report submitted to the
31 committee shall be submitted electronically. In addition, if, in the

1 normal course of conducting an audit in accordance with subdivision (3)
2 of this section, the auditor discovers any potential problems related to
3 the effectiveness, efficiency, or performance of state programs, he or
4 she shall immediately report them electronically to the Legislative
5 Performance Audit Committee which may investigate the issue further,
6 report it electronically to the appropriate standing committee of the
7 Legislature, or both;

8 (6)(a) To examine or cause to be examined the books, accounts,
9 vouchers, records, and expenditures of a fire protection district. The
10 expense of the examination shall be paid by the political subdivision.

11 (b) Whenever the expenditures of a fire protection district are one
12 hundred fifty thousand dollars or less per fiscal year, the fire
13 protection district shall be audited no more than once every five years
14 except as directed by the board of directors of the fire protection
15 district or unless the auditor receives a verifiable report from a third
16 party indicating any irregularities or misconduct of officers or
17 employees of the fire protection district, any misappropriation or misuse
18 of public funds or property, or any improper system or method of
19 bookkeeping or condition of accounts of the fire protection district. In
20 the absence of such a report, the auditor may waive the five-year audit
21 requirement upon the submission of a written request by the fire
22 protection district in a form prescribed by the auditor. The auditor
23 shall notify the fire protection district in writing of the approval or
24 denial of a request for waiver of the five-year audit requirement. Upon
25 approval of the request for waiver of the five-year audit requirement, a
26 new five-year audit period shall begin.

27 (c) Whenever the expenditures of a fire protection district exceed
28 one hundred fifty thousand dollars in a fiscal year, the auditor may
29 waive the audit requirement upon the submission of a written request by
30 the fire protection district in a form prescribed by the auditor. The
31 auditor shall notify the fire protection district in writing of the

1 approval or denial of a request for waiver. Upon approval of the request
2 for waiver, a new five-year audit period shall begin for the fire
3 protection district if its expenditures are one hundred fifty thousand
4 dollars or less per fiscal year in subsequent years;

5 (7) To appoint two or more assistant deputies (a) whose entire time
6 shall be devoted to the service of the state as directed by the auditor,
7 (b) who shall be certified public accountants with at least five years'
8 experience, (c) who shall be selected without regard to party affiliation
9 or to place of residence at the time of appointment, (d) who shall
10 promptly report to the auditor the fiscal condition shown by each
11 examination, including any irregularities or misconduct of officers or
12 employees, any misappropriation or misuse of public funds or property,
13 and any improper system or method of bookkeeping or condition of
14 accounts, and it shall be the duty of the auditor to file promptly with
15 the Governor a duplicate of such report, and (e) who shall qualify by
16 taking an oath which shall be filed in the office of the Secretary of
17 State;

18 (8) To conduct audits and related activities for state agencies,
19 political subdivisions of this state, or grantees of federal funds
20 disbursed by a receiving agency on a contractual or other basis for
21 reimbursement to assure proper accounting by all such agencies, political
22 subdivisions, and grantees for funds appropriated by the Legislature and
23 federal funds disbursed by any receiving agency. The auditor may contract
24 with any political subdivision to perform the audit of such political
25 subdivision required by or provided for in section 23-1608 or 79-1229 or
26 this section and charge the political subdivision for conducting the
27 audit. The fees charged by the auditor for conducting audits on a
28 contractual basis shall be in an amount sufficient to pay the cost of the
29 audit. The fees remitted to the auditor for such audits and services
30 shall be deposited in the Auditor of Public Accounts Cash Fund;

31 (9)(a) To examine or cause to be examined, at the expense of the

1 department or agency receiving a transfer of funds or acting as the
2 administrator for a fund receiving a transfer of funds pursuant to
3 subdivision (3)(b)(ii) of section 9-812, when the Auditor of Public
4 Accounts determines such examination necessary or when requested by such
5 department or agency, the books, accounts, vouchers, records, and
6 expenditures of such department or agency or any service contractor or
7 subsequent recipient of such funds.

8 (b) For purposes of subdivision (9)(a) of this section, service
9 contractor or subsequent recipient means any nonprofit entity that
10 expends funds transferred pursuant to subdivision (3)(b)(ii) of section
11 9-812 to carry out a state program or function, but service contractor or
12 subsequent recipient does not include an individual who is a direct
13 beneficiary of such a program or function.

14 (c) The Auditor of Public Accounts shall prescribe the form for the
15 annual reports required in subsection (5) of section 9-812. Such annual
16 reports shall be published on the web site of the Auditor of Public
17 Accounts;

18 (10) ~~(9)~~ To develop and maintain an annual budget and actual
19 financial information reporting system for political subdivisions that is
20 accessible online by the public;

21 (11) ~~(10)~~ When authorized, to conduct joint audits with the
22 Legislative Performance Audit Committee as described in section 50-1205;
23 and

24 (12) ~~(11)~~ Unless otherwise specifically provided, to assess the
25 interest rate on delinquent payments of any fees for audits and services
26 owing to the Auditor of Public Accounts at a rate of fourteen percent per
27 annum from the date of billing unless paid within thirty days after the
28 date of billing. For an entity created pursuant to the Interlocal
29 Cooperation Act or the Joint Public Agency Act, any participating public
30 agencies shall be jointly and severally liable for the fees and interest
31 owed if such entity is defunct or unable to pay.

1 Sec. 33. Section 85-1412, Revised Statutes Cumulative Supplement,
2 2018, is amended to read:

3 85-1412 The commission shall have the following additional powers
4 and duties:

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

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

19 (3) Establish any advisory committees as may be necessary to
20 undertake the coordination function of the commission pursuant to section
21 85-1403 or to solicit input from affected parties such as students,
22 faculty, governing boards, administrators of the public institutions,
23 administrators of the private nonprofit institutions of postsecondary
24 education and proprietary institutions in the state, and community and
25 business leaders regarding the coordination function of the commission;

26 (4) Participate in or designate an employee or employees to
27 participate in any committee which may be created to prepare a
28 coordinated plan for the delivery of educational programs and services in
29 Nebraska through the telecommunications system;

30 (5) Seek a close liaison with the State Board of Education and the
31 State Department of Education in recognition of the need for close

1 coordination of activities between elementary and secondary education and
2 postsecondary education;

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

12 (7) Administer (a) the Access College Early Scholarship Program Act
13 and the Access College Early Scholarship Cash Fund, (b) the Community
14 College Aid Act, (c) the Nebraska Community College Student Performance
15 and Occupational Education Grant Fund under the direction of the Nebraska
16 Community College Student Performance and Occupational Education Grant
17 Committee, (d) the Nebraska Opportunity Grant Act and the Nebraska
18 Opportunity Grant Fund, (e) the Postsecondary Institution Act, ~~and~~ (f)
19 the community college gap assistance program and the Community College
20 Gap Assistance Program Fund, (g) the Excellence in Teaching Act and the
21 Excellence in Teaching Cash Fund, (h) the National Certified Teacher
22 Program Act, and (i) the Career-Readiness and Dual-Credit Education Cash
23 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) Request inclusion of the commission in any existing grant
10 review process and information system.

11 Sec. 34. Section 85-1920, Revised Statutes Cumulative Supplement,
12 2018, is amended to read:

13 85-1920 The Nebraska Opportunity Grant Fund is created. Money in the
14 fund shall include amounts transferred from the State Lottery Operation
15 Trust Fund pursuant to section 9-812 until June 30, 2016, or the Nebraska
16 Education Improvement Fund pursuant to section 9-812 until June 30, 2021.
17 All amounts accruing to the Nebraska Opportunity Grant Fund shall be used
18 to carry out the Nebraska Opportunity Grant Act. Any money in the fund
19 available for investment shall be invested by the state investment
20 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska
21 State Funds Investment Act.

22 ~~The Nebraska Opportunity Grant Fund terminates on June 30, 2021. Any~~
23 ~~money in the fund on such date shall be transferred to the Nebraska~~
24 ~~Education Improvement Fund on such date.~~

25 Sec. 35. Section 85-2009, Revised Statutes Cumulative Supplement,
26 2018, is amended to read:

27 85-2009 (1) The Community College Gap Assistance Program Fund is
28 created. The fund shall be under the direction of the committee and shall
29 be administered by the Coordinating Commission for Postsecondary
30 Education. The fund shall consist of money received pursuant to section
31 9-812, any other money received by the state in the form of grants or

1 gifts from nonfederal sources, such other amounts as may be transferred
2 or otherwise accrue to the fund, and any investment income earned on the
3 fund. The fund shall be used to provide aid or grants to the community
4 colleges pursuant to the Community College Gap Assistance Program Act.
5 Any money in the fund available for investment shall be invested by the
6 state investment officer pursuant to the Nebraska Capital Expansion Act
7 and the Nebraska State Funds Investment Act.

8 ~~(2) The total of community college gap assistance awarded from the~~
9 ~~Community College Gap Assistance Program Fund during any fiscal year~~
10 ~~shall not exceed one million five hundred thousand dollars.~~

11 ~~(2) (3) Money in the fund may also be used by the committee to :~~(a)
12 ~~To establish application and funding procedures. ; and~~

13 ~~(3) Each community college may use up to ten percent of any money~~
14 ~~received from the fund to defray (b) To assist community colleges in~~
15 ~~defraying the costs of direct staff support services, including, but not~~
16 ~~limited to, marketing, outreach, applications, interviews, and~~
17 ~~assessments as follows: (i) Up to twenty percent of any amount allocated~~
18 ~~for such purposes to the two smallest community colleges; (ii) up to ten~~
19 ~~percent of any such amount to the two largest community colleges; and~~
20 ~~(iii) up to fifteen percent of any such amount to the remaining two~~
21 ~~community colleges. For purposes of this subsection, community college~~
22 ~~size shall be determined based on the most recent three-year rolling~~
23 ~~average full-time equivalent enrollment.~~

24 Sec. 36. The Access College Early Scholarship Cash Fund is created.
25 The fund shall be administered by the Coordinating Commission for
26 Postsecondary Education and shall consist of money received pursuant to
27 section 9-812 and any money appropriated by the Legislature. The
28 Coordinating Commission for Postsecondary Education shall use the fund to
29 carry out the Access College Early Scholarship Program Act. Any money in
30 the fund available for investment shall be invested by the state
31 investment officer pursuant to the Nebraska Capital Expansion Act and the

1 Nebraska State Funds Investment Act.

2 Sec. 37. The Behavioral Training Cash Fund is created. The fund
3 shall be administered by the State Department of Education and shall
4 consist of money received pursuant to section 9-812 and any money
5 appropriated by the Legislature. Any money in the fund available for
6 investment shall be invested by the state investment officer pursuant to
7 the Nebraska Capital Expansion Act and the Nebraska State Funds
8 Investment Act.

9 Sec. 38. The Career-Readiness and Dual-Credit Education Cash Fund
10 is created. The fund shall be administered by the Coordinating Commission
11 for Postsecondary Education and shall consist of money received pursuant
12 to section 9-812 and any money appropriated by the Legislature. Any money
13 in the fund available for investment shall be invested by the state
14 investment officer pursuant to the Nebraska Capital Expansion Act and the
15 Nebraska State Funds Investment Act.

16 Sec. 39. The College Credit Testing Fee Cash Fund is created. The
17 fund shall be administered by the State Department of Education and shall
18 consist of money received pursuant to section 9-812 and any money
19 appropriated by the Legislature. Any money in the fund available for
20 investment shall be invested by the state investment officer pursuant to
21 the Nebraska Capital Expansion Act and the Nebraska State Funds
22 Investment Act.

23 Sec. 40. The Revisor of Statutes shall assign sections 9 to 22 of
24 this act within Chapter 85.

25 Sec. 41. Sections 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15,
26 16, 17, 18, 19, 20, 21, 22, 25, 30, 32, 33, 35, 36, 37, 38, 39, 42, and
27 44 of this act become operative on July 1, 2021. The other sections of
28 this act become operative on their effective date.

29 Sec. 42. Original sections 79-8,124, 79-8,125, 79-8,126, 79-8,128,
30 79-8,131, 79-8,132, 79-8,133, 79-8,135, 79-8,138, 79-8,139, 79-8,140, and
31 79-1064, Reissue Revised Statutes of Nebraska, sections 9-836.01, 79-759,

1 79-8,134, 79-8,137, 79-8,137.01, 79-8,137.02, 79-8,137.03, 79-8,137.04,
2 79-8,137.05, 79-2505, 85-1412, and 85-2009, Revised Statutes Cumulative
3 Supplement, 2018, and section 84-304, Revised Statutes Supplement, 2019,
4 are repealed.

5 Sec. 43. Original section 79-1201.01, Reissue Revised Statutes of
6 Nebraska, sections 9-812, 79-1054, 79-1104.02, 79-1337, 79-2503, 79-2506,
7 and 85-1920, Revised Statutes Cumulative Supplement, 2018, and section
8 79-1003, Revised Statutes Supplement, 2019, are repealed.

9 Sec. 44. The following sections are outright repealed: Sections
10 79-8,127, 79-8,129, 79-8,130, and 79-1336, Reissue Revised Statutes of
11 Nebraska, and sections 50-425, 50-426, 50-427, 50-428, and 79-10,145,
12 Revised Statutes Cumulative Supplement, 2018.