

AMENDMENTS TO LB528

(Amendments to Standing Committee amendments, AM556)

Introduced by Groene, 42.

1 1. Insert the following new sections:

2 Sec. 2. Section 9-812, Revised Statutes Cumulative Supplement, 2020,
3 is amended to read:

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

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

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

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

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

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

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

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

1 Fund; and

2 (e) One percent of the money remaining after the payment of prizes
3 and operating expenses and the initial transfer to the Compulsive
4 Gamblers Assistance Fund shall be transferred to the Compulsive Gamblers
5 Assistance Fund to be used as provided in section 9-1006.

6 (4) The Nebraska Education Improvement Fund is created. The fund
7 shall consist of money transferred pursuant to subsection (3) of this
8 section, money transferred pursuant to section 85-1920, and any other
9 funds appropriated by the Legislature. The fund shall be allocated, after
10 actual and necessary administrative expenses, as provided in this section
11 for fiscal years 2016-17 through 2022-23 ~~2020-21~~. A portion of each
12 allocation may be retained by the agency to which the allocation is made
13 or the agency administering the fund to which the allocation is made for
14 actual and 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, 2021 ~~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 2023-24 ~~2021-22~~. For fiscal year 2016-17, an amount
23 equal to ten percent of the revenue allocated to the Education Innovation
24 Fund and to the Nebraska Opportunity Grant Fund for fiscal year 2015-16
25 shall be retained in the Nebraska Education Improvement Fund. For fiscal
26 years 2017-18 through 2022-23 ~~2020-21~~, an amount equal to ten percent of
27 the revenue received by the Nebraska Education Improvement Fund in the
28 prior fiscal year shall be retained in the fund. For fiscal years 2016-17
29 through 2022-23 ~~2020-21~~, the remainder of the fund, after payment of any
30 learning community transition aid pursuant to section 79-10,145, shall be
31 allocated as follows:

1 (a) One percent of the allocated funds to the Expanded Learning
2 Opportunity Grant Fund to carry out the Expanded Learning Opportunity
3 Grant Program Act;

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

8 (c) Nine percent of the allocated funds to the Community College Gap
9 Assistance Program Fund to carry out the community college gap assistance
10 program;

11 (d) Eight percent of the allocated funds to the Excellence in
12 Teaching Cash Fund to carry out the Excellence in Teaching Act;

13 (e) Sixty-two percent of the allocated funds to the Nebraska
14 Opportunity Grant Fund to carry out the Nebraska Opportunity Grant Act in
15 conjunction with appropriations from the General Fund; and

16 (f) Three percent of the allocated funds to fund distance education
17 incentives pursuant to section 79-1337.

18 (5) Any money in the State Lottery Operation Trust Fund, the State
19 Lottery Operation Cash Fund, the State Lottery Prize Trust Fund, the
20 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 (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. 32. Section 79-8,137.05, Revised Statutes Cumulative
30 Supplement, 2020, is amended to read:

31 79-8,137.05 (1) The Excellence in Teaching Cash Fund is created. The

1 fund shall consist of appropriations by the Legislature, transfers
2 pursuant to section 9-812, and loan repayments, penalties, and interest
3 payments received in the course of administering the Attracting
4 Excellence to Teaching Program and the Enhancing Excellence in Teaching
5 Program.

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

18 (3) Any money remaining in the fund on August 1, 2023 ~~2021~~, shall be
19 transferred to the Nebraska Education Improvement Fund on such date.

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

24 Sec. 41. Section 79-1337, Revised Statutes Cumulative Supplement,
25 2020, is amended to read:

26 79-1337 (1) For fiscal years 2007-08 through 2022-23 ~~2020-21~~, the
27 State Department of Education shall provide distance education incentives
28 to school districts and educational service units for qualified distance
29 education courses coordinated through the Educational Service Unit
30 Coordinating Council as provided in this section. Through fiscal year
31 2015-16, funding for such distance education incentives shall come from

1 the Education Innovation Fund. For fiscal years 2016-17 through 2022-23
2 ~~2020-21~~, funding for such distance education incentives shall come from
3 the Nebraska Education Improvement Fund.

4 (2) School districts and educational service units shall apply for
5 incentives annually through calendar year 2022 ~~2020~~ to the department on
6 or before August 1 on a form specified by the department. The application
7 shall:

8 (a) For school districts, specify (i) the qualified distance
9 education courses which were received by students in the membership of
10 the district in the then-current school fiscal year and which were not
11 taught by a teacher employed by the school district and (ii) for each
12 such course (A) the number of students in the membership of the district
13 who received the course, (B) the educational entity employing the
14 teacher, and (C) whether the course was a two-way interactive video
15 distance education course; and

16 (b) For school districts and educational service units, specify (i)
17 the qualified distance education courses which were received by students
18 in the membership of another educational entity in the then-current
19 school fiscal year and which were taught by a teacher employed by the
20 school district or educational service unit, (ii) for each such course
21 for school districts, the number of students in the membership of the
22 district who received the course, and (iii) for each such course (A) the
23 other educational entities in which students received the course and how
24 many students received the course at such educational entities, (B) any
25 school district that is sparse or very sparse as such terms are defined
26 in section 79-1003 that had at least one student in the membership who
27 received the course, and (C) whether the course was a two-way interactive
28 video distance education course.

29 (3) On or before September 1 of each year through calendar year 2022
30 ~~2020~~, the department shall certify the incentives for each school
31 district and educational service unit which shall be paid on or before

1 October 1 of such year. The incentives for each district shall be
2 calculated as follows:

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

5 (i) One distance education unit for each qualified distance
6 education course received as reported pursuant to subdivision (2)(a) of
7 this section if the course was a two-way interactive video distance
8 education course;

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

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

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

25 (b) The difference of the amount available for distribution in the
26 Education Innovation Fund on the August 1 when the applications were due
27 minus any amount to be paid to school districts pursuant to section
28 79-1336 shall be divided by the number of distance education units to
29 determine the incentive per distance education unit, except that the
30 incentive per distance education unit shall not equal an amount greater
31 than one thousand dollars; and

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

4 (4) If there are additional funds available for distribution after
5 equipment reimbursements pursuant to section 79-1336 and incentives
6 calculated pursuant to subsections (1) through (3) of this section,
7 school districts and educational service units may qualify for additional
8 incentives for elementary distance education courses. Such incentives
9 shall be calculated for sending and receiving school districts and
10 educational service units as follows:

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

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

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

25 (6) On or before October 1 of each year through calendar year 2022
26 ~~2020~~, a school district or educational service unit may appeal the denial
27 of incentives for any course by the department to the State Board of
28 Education. The board shall allow a representative of the school district
29 or educational service unit an opportunity to present information
30 concerning the appeal to the board at the November board meeting. If the
31 board finds that the course meets the requirements of this section, the

1 department shall pay the district from the Education Innovation Fund as
2 soon as practical in an amount for which the district or educational
3 service unit should have qualified based on the incentive per distance
4 education unit used in the original certification of incentives pursuant
5 to this section.

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

8 Sec. 52. Section 85-1920, Revised Statutes Cumulative Supplement,
9 2020, is amended to read:

10 85-1920 The Nebraska Opportunity Grant Fund is created. Money in the
11 fund shall include amounts transferred from the State Lottery Operation
12 Trust Fund pursuant to section 9-812 until June 30, 2016, or the Nebraska
13 Education Improvement Fund pursuant to section 9-812 until June 30, 2023
14 ~~2021~~. All amounts accruing to the Nebraska Opportunity Grant Fund shall
15 be used to carry out the Nebraska Opportunity Grant Act. Any money in the
16 fund available for investment shall be invested by the state investment
17 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska
18 State Funds Investment Act.

19 The Nebraska Opportunity Grant Fund terminates on June 30, 2023
20 ~~2021~~. Any money in the fund on such date shall be transferred to the
21 Nebraska Education Improvement Fund on such date.

22 Sec. 66. Sections 1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15,
23 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 33, 34,
24 35, 36, 37, 38, 39, 40, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 53, 54,
25 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 68, and 69 of this act become
26 operative three calendar months after adjournment of this legislative
27 session. The other sections of this act become operative on their
28 effective date.

29 Sec. 67. Original sections 9-812, 79-8,137.05, 79-1337, and 85-1920,
30 Revised Statutes Cumulative Supplement, 2020, are repealed.

31 Sec. 70. Since an emergency exists, this act takes effect when

- 1 passed and approved according to law.
- 2 2. Renumber the remaining sections and correct internal references
- 3 accordingly.