

LEGISLATURE OF NEBRASKA  
ONE HUNDRED SEVENTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 912**

Introduced by Morfeld, 46.

Read first time January 10, 2022

Committee: Education

- 1 A BILL FOR AN ACT relating to education; to amend section 79-1054,
- 2 Revised Statutes Cumulative Supplement, 2020, and section 9-812,
- 3 Revised Statutes Supplement, 2021; to provide for mental health
- 4 first aid training; to change provisions relating to the use of
- 5 lottery funds; to change provisions relating to innovation grants as
- 6 prescribed; to harmonize provisions; and to repeal the original
- 7 sections.
- 8 Be it enacted by the people of the State of Nebraska,

1           Section 1. (1) The State Department of Education shall establish a  
2 mental health first aid training program for teachers and other personnel  
3 employed by a school district or an educational service unit  
4 participating in a grant under subdivision (1)(a) of section 79-1054.

5           (2) The mental health first aid training is to be delivered by  
6 trainers who are properly certified by a national organization for  
7 behavioral health to provide training meeting the requirements of this  
8 section. The program shall also provide an opportunity for teachers and  
9 other designated personnel to complete the training necessary to become  
10 certified by a national organization for behavioral health to provide  
11 mental health first aid training to other teachers and designated  
12 personnel.

13           (3) Mental health first aid training shall include training on:

14           (a) The skills, resources, and knowledge necessary to assist  
15 students in crisis to connect with appropriate local mental health care  
16 services;

17           (b) Mental health resources, including the location of local  
18 community mental health centers; and

19           (c) Action plans and protocols for referral to such resources.

20           (4) A recipient of mental health first aid training shall also  
21 receive instruction in preparation to:

22           (a) Safely de-escalate crisis situations;

23           (b) Recognize the signs and symptoms of mental illness, including  
24 such psychiatric conditions as schizophrenia, bipolar disorder, major  
25 clinical depression, and anxiety disorders; and

26           (c) Timely refer a student to mental health services in the early  
27 stages of the development of a mental disorder to avoid subsequent  
28 behavioral health care and to enhance the effectiveness of mental health  
29 services.

30           Sec. 2. Section 9-812, Revised Statutes Supplement, 2021, is amended  
31 to read:

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

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

28           (3) Of the money available to be transferred to the Education  
29 Innovation Fund, the Nebraska Opportunity Grant Fund, the Nebraska  
30 Education Improvement Fund, the Nebraska Environmental Trust Fund, the  
31 Nebraska State Fair Board, and the Compulsive Gamblers Assistance Fund:

1 (a) The first five hundred thousand dollars shall be transferred to  
2 the Compulsive Gamblers Assistance Fund to be used as provided in section  
3 9-1006;

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

8 (c) Forty-four and one-half percent of the money remaining after the  
9 payment of prizes and operating expenses and the initial transfer to the  
10 Compulsive Gamblers Assistance Fund shall be transferred to the Nebraska  
11 Environmental Trust Fund to be used as provided in the Nebraska  
12 Environmental Trust Act;

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

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

29 (4) The Nebraska Education Improvement Fund is created. The fund  
30 shall consist of money transferred pursuant to subsection (3) of this  
31 section, money transferred pursuant to section 85-1920, and any other

1 funds appropriated by the Legislature. The fund shall be allocated, after  
2 actual and necessary administrative expenses, as provided in this section  
3 for fiscal year years 2016-17 and each fiscal year thereafter through  
4 ~~2023-24~~. A portion of each allocation may be retained by the agency to  
5 which the allocation is made or the agency administering the fund to  
6 which the allocation is made for actual and necessary expenses incurred  
7 by such agency for administration, evaluation, and technical assistance  
8 related to the purposes of the allocation, except that no amount of the  
9 allocation to the Nebraska Opportunity Grant Fund may be used for such  
10 purposes. On or before December 31, 2022, the Education Committee of the  
11 Legislature shall electronically submit recommendations to the Clerk of  
12 the Legislature regarding how the fund should be allocated to best  
13 advance the educational priorities of the state for the five-year period  
14 beginning with fiscal year 2024-25. ~~For fiscal year 2016-17, an amount~~  
15 ~~equal to ten percent of the revenue allocated to the Education Innovation~~  
16 ~~Fund and to the Nebraska Opportunity Grant Fund for fiscal year 2015-16~~  
17 ~~shall be retained in the Nebraska Education Improvement Fund. For fiscal~~  
18 year years 2017-18 and each fiscal year thereafter through ~~2023-24~~, an  
19 amount equal to ten percent of the revenue received by the Nebraska  
20 Education Improvement Fund in the prior fiscal year shall be retained in  
21 the fund at all times plus any interest earned during the current fiscal  
22 year, and . ~~For fiscal years 2016-17 through 2023-24~~, the remainder of  
23 the fund shall be allocated as follows:

24 (a) One percent of the allocated funds to the Expanded Learning  
25 Opportunity Grant Fund to carry out the Expanded Learning Opportunity  
26 Grant Program Act;

27 (b) Seventeen percent of the allocated funds to the Department of  
28 Education Innovative Grant Fund to be used for ~~competitive~~ innovation  
29 grants pursuant to section 79-1054;

30 (c) Nine percent of the allocated funds to the Community College Gap  
31 Assistance Program Fund to carry out the community college gap assistance

1 program;

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

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

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

9 (5)(a) On or before September 20, 2022, and on or before each  
10 September 20 thereafter, (i) any department or agency receiving a  
11 transfer or acting as the administrator for a fund receiving a transfer  
12 pursuant to subsection (4) of this section, (ii) any recipient or  
13 subsequent recipient of money from any such fund, and (iii) any service  
14 contractor responsible for managing any portion of any such fund or any  
15 money disbursed from any such fund on behalf of any entity shall prepare  
16 and submit an annual report to the Auditor of Public Accounts in a manner  
17 prescribed by the auditor for the immediately preceding July 1 through  
18 June 30 fiscal year detailing information regarding the use of such fund  
19 or such money.

20 (b) The Auditor of Public Accounts shall annually compile a summary  
21 of the annual reports received pursuant to subdivision (5)(a) of this  
22 section, any audits related to transfers pursuant to subsection (4) of  
23 this section conducted by the Auditor of Public Accounts, and any  
24 findings or recommendations related to such transfers into a consolidated  
25 annual report and shall submit such consolidated annual report  
26 electronically to the Legislature on or before January 1, 2023, and on or  
27 before each January 1 thereafter.

28 (c) For purposes of this subsection, recipient, subsequent  
29 recipient, or service contractor means a nonprofit entity that expends  
30 funds transferred pursuant to subsection (4) of this section to carry out  
31 a state program or function, but does not include an individual who is a

1 direct beneficiary of such a program or function.

2 (6) Any money in the State Lottery Operation Trust Fund, the State  
3 Lottery Operation Cash Fund, the State Lottery Prize Trust Fund, or the  
4 Nebraska Education Improvement Fund available for investment shall be  
5 invested by the state investment officer pursuant to the Nebraska Capital  
6 Expansion Act and the Nebraska State Funds Investment Act.

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

12 Sec. 3. Section 79-1054, Revised Statutes Cumulative Supplement,  
13 2020, is amended to read:

14 79-1054 (1) The State Board of Education shall establish a  
15 ~~competitive~~ innovation grant programs in areas, including, but not  
16 limited to, (a) mental health first aid, (b) early literacy, (c) quality  
17 instructional materials, (d) personalized learning through digital  
18 education, or (e) other innovation areas identified by the board, ~~program~~  
19 with funding from the Nebraska Education Improvement Fund pursuant to  
20 section 9-812. Grantees shall be a school district, an educational  
21 service unit, or a combination of entities that includes at least one  
22 school district or educational service unit. ~~For grantees that consist of~~  
23 ~~a combination of entities, a participating school district or educational~~  
24 ~~service unit shall be designated to act as the fiscal agent and~~  
25 ~~administer the program funded by the grant. The state board shall only~~  
26 ~~award grants pursuant to applications that the state board deems to be~~  
27 ~~sufficiently innovative and to have a high chance of success.~~

28 (2) An application for participating in an innovation a grant  
29 pursuant to subsection (1) of this section shall describe:

30 (a) Specific measurable objectives for improving education outcomes  
31 for early childhood students, elementary students, middle school

1 students, or high school students or for improving the transitions  
2 between any successive stages of education or between education and the  
3 workforce;

4 (b) Participation in a The method for annually evaluating progress  
5 toward a measurable objective, with a summative evaluation of progress  
6 submitted to the state board and electronically to the Education  
7 Committee of the Legislature on or before July 1 of each year ~~, 2019~~;

8 (c) The potential for the grant program ~~project~~ to be both scalable  
9 and replicable; and

10 (d) Any cost savings that could be achieved by reductions in other  
11 programs if the grant ~~funded~~ program is successful.

12 (3) Based on evaluations received on or before July 1 of each year ~~,~~  
13 ~~2019~~, for each grant program, the State Board of Education shall  
14 recommend the grant program ~~project~~ as:

15 (a) Representing a best practice;

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

17 (c) A local issue for further study.

18 (4) On or before ~~December 1, 2017, and on or before~~ December 1 of  
19 each year ~~thereafter~~, the state board shall electronically submit a  
20 report to the Clerk of the Legislature on all such grant programs ~~grants~~,  
21 including, but not limited to, the results of the evaluations for each  
22 grant program. The state board may adopt and promulgate rules and  
23 regulations to carry out this section, including, but not limited to,  
24 application procedures, selection procedures, and annual evaluation  
25 reporting procedures.

26 (5) The Department of Education Innovative Grant Fund is created.  
27 The fund shall be administered by the State Department of Education and  
28 shall consist of transfers pursuant to section 9-812, repayments of grant  
29 funds, and interest payments received in the course of administering this  
30 section. The fund shall be used to carry out this section. Any money in  
31 the fund available for investment shall be invested by the state



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

3       Sec. 4.    Original section 79-1054, Revised Statutes Cumulative  
4 Supplement, 2020, and section 9-812, Revised Statutes Supplement, 2021,  
5 are repealed.