

LEGISLATURE OF NEBRASKA  
ONE HUNDRED NINTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 426**

Introduced by Andersen, 49; Ballard, 21; Bosn, 25; Clouse, 37; Holdcroft,  
36; Kauth, 31; Lonowski, 33; McKeon, 41; Murman, 38.

Read first time January 17, 2025

Committee: Education

- 1 A BILL FOR AN ACT relating to education; to amend sections 79-724 and
- 2 79-3501, Reissue Revised Statutes of Nebraska; to authorize an
- 3 American flag education program as prescribed; to change provisions
- 4 relating to the distribution of lottery funds used for education;
- 5 and to repeal the original sections.
- 6 Be it enacted by the people of the State of Nebraska,

1           **Section 1.** Section 79-724, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3           79-724 It is the responsibility of society to ensure that youth are  
4 given the opportunity to become competent, responsible, patriotic, and  
5 civil citizens to ensure a strong, stable, just, and prosperous America.  
6 Such a citizenry necessitates that every member thereof be knowledgeable  
7 of our nation's history, government, geography, and economic system. The  
8 youth in our state should be committed to the ideals and values of our  
9 country's democracy and the constitutional republic established by the  
10 people. Schools should help prepare our youth to make informed and  
11 reasoned decisions for the public good. Civic competence is necessary to  
12 sustain and improve our democratic way of life and must be taught in all  
13 public, private, denominational, and parochial schools. A central role of  
14 schools is to impart civic knowledge and skills that help our youth to  
15 see the relevance of a civic dimension for their lives. Students should  
16 be made fully aware of the liberties, opportunities, and advantages we  
17 possess and the sacrifices and struggles of those through whose efforts  
18 these benefits were gained. Since young people are most susceptible to  
19 the acceptance of principles and doctrines that will influence them  
20 throughout their lives, it is one of the first duties of our educational  
21 system to conduct its activities, choose its textbooks, and arrange its  
22 curriculum in such a way that the youth of our state have the opportunity  
23 to become competent, responsible, patriotic, and civil American citizens.

24           (1) The school board of each school district shall, at the beginning  
25 of each calendar year, appoint from its members a committee of three, to  
26 be known as the committee on American civics, which shall:

27           (a) Hold no fewer than two public meetings annually, at least one  
28 when public testimony is accepted;

29           (b) Keep minutes of each meeting showing the time and place of the  
30 meeting, which members were present or absent, and the substance and  
31 details of all matters discussed;

1 (c) Examine and ensure that the social studies curriculum used in  
2 the district is aligned with the social studies standards adopted  
3 pursuant to section 79-760.01 and teaches foundational knowledge in  
4 civics, history, economics, financial literacy, and geography;

5 (d) Review and approve the social studies curriculum to ensure that  
6 it stresses the services of the men and women who played a crucial role  
7 in the achievement of national independence, establishment of our  
8 constitutional government, and preservation of the union and includes the  
9 incorporation of multicultural education as set forth in sections 79-719  
10 to 79-723 in order to instill a pride and respect for the nation's  
11 institutions and not be merely a recital of events and dates;

12 (e) Ensure that any curriculum recommended or approved by the  
13 committee on American civics is made readily accessible to the public and  
14 contains a reference to this section;

15 (f) Ensure that the district develops and utilizes formative,  
16 interim, and summative assessments to measure student mastery of the  
17 social studies standards adopted pursuant to section 79-760.01;

18 (g) Ensure that the social studies curriculum in the district  
19 incorporates one or more of the following for each student:

20 (i) Administration of a written test that is identical to the entire  
21 civics portion of the naturalization test used by United States  
22 Citizenship and Immigration Services prior to the completion of eighth  
23 grade and again prior to the completion of twelfth grade with the  
24 individual score from each test for each student made available to a  
25 parent or guardian of such student; or

26 (ii) Attendance or participation between the commencement of eighth  
27 grade and completion of twelfth grade in a meeting of a public body as  
28 defined by section 84-1409 followed by the completion of a project or  
29 paper in which each student demonstrates or discusses the personal  
30 learning experience of such student related to such attendance or  
31 participation; or

1 (iii) Completion of a project or paper and a class presentation  
2 between the commencement of eighth grade and the completion of twelfth  
3 grade on a person or persons or an event commemorated by a holiday listed  
4 in subdivision (6) of this section or on a topic related to such person  
5 or persons or event; and

6 (h) Take all such other steps as will assure the carrying out of the  
7 provisions of this section and provide a report to the school board  
8 regarding the committee's findings and recommendations.

9 (2) All social studies courses approved for grade levels as provided  
10 by this section shall include and adequately stress contributions of all  
11 ethnic groups to (a) the development and growth of America into a great  
12 nation, (b) art, music, education, medicine, literature, science,  
13 politics, and government, and (c) the military in all of this nation's  
14 wars.

15 (3) All grades of all public, private, denominational, and parochial  
16 schools, below the sixth grade, shall devote at least one hour per week  
17 to exercises or teaching periods for the following purpose:

18 (a) The discussion of noteworthy events pertaining to American  
19 history or the exceptional acts of individuals and groups of Americans;

20 (b) The historical background, memorization, and singing of  
21 patriotic songs such as the Star-Spangled Banner and America the  
22 Beautiful;

23 (c) The development of respect for the American flag as a symbol of  
24 freedom and the sacrifices of those who secured that freedom; and

25 (d) Instruction as to proper conduct in the presentation of the  
26 American flag.

27 (4) All public, private, denominational, and parochial schools may,  
28 as a part of the social studies curriculum, engage students between the  
29 commencement of fifth grade and the completion of eighth grade in a one-  
30 hour American flag education program that includes, but need not be  
31 limited to, the United States Flag Code, the thirteen folds of the

1 American flag, proper flag etiquette and conduct in the presentation of  
2 the flag, and the historical background of the flag. Such flag education  
3 program may be developed and presented in consultation and partnership  
4 with a local recognized veterans organization as defined in section  
5 80-401.01. As part of such program, each student shall receive one  
6 American flag that is three feet by five feet and a flag etiquette  
7 booklet. The costs of such program shall be funded using lottery funds  
8 pursuant to section 79-3501 or private donations.

9       ~~(5)~~ (4) In at least two of the three grades from the fifth grade to  
10 the eighth grade in all public, private, denominational, and parochial  
11 schools, time shall be set aside for the teaching of American history  
12 from the social studies curriculum, which shall be taught in such a  
13 manner that all students are given the opportunity to (a) become  
14 competent, responsible, patriotic, and civil citizens who possess a deep  
15 understanding of and respect for both the Constitution of the United  
16 States and the Constitution of Nebraska and (b) prepare to preserve,  
17 protect, and defend freedom and democracy in our nation and our world.

18       ~~(6)~~ (5) In at least two courses in every high school, time shall be  
19 devoted to the teaching of civics and American history as outlined in the  
20 social studies standards adopted pursuant to section 79-760.01, during  
21 which specific attention shall be given to the following matters:

22       (a) The Declaration of Independence, the United States Constitution,  
23 the Constitution of Nebraska, and the structure and function of local  
24 government in this state;

25       (b) The benefits and advantages of representative government, the  
26 rights and responsibilities of citizenship in our government, and the  
27 dangers and fallacies of forms of government that restrict individual  
28 freedoms or possess antidemocratic ideals such as, but not limited to,  
29 Nazism and communism;

30       (c) The duties of citizenship, which include active participation in  
31 the improvement of a citizen's community, state, country, and world and

1 the value and practice of civil discourse between opposing interests; and

2 (d) The application of knowledge in civics, history, economics,  
3 financial literacy, and geography to address societal issues.

4 (7) ~~(6)~~ Appropriate patriotic exercises suitable to the occasion  
5 shall be held under the direction of the superintendent in every public,  
6 private, denominational, and parochial school on George Washington's  
7 birthday, Abraham Lincoln's birthday, Dr. Martin Luther King, Jr.'s  
8 birthday, Native American Heritage Day, Constitution Day, Memorial Day,  
9 Veterans Day, and Thanksgiving Day, or on the day or week preceding or  
10 following such holiday, if the school is in session.

11 (8) ~~(7)~~ Every school board, the State Board of Education, and the  
12 superintendent of each school district in the state shall be held  
13 directly responsible in the order named for carrying out this section.  
14 Neglect thereof by any employee may be considered a cause for dismissal.

15 **Sec. 2.** Section 79-3501, Reissue Revised Statutes of Nebraska, is  
16 amended to read:

17 79-3501 (1) For fiscal years through fiscal year 2023-24, the money  
18 available to be used for education pursuant to subdivision (3)(b) of  
19 section 9-812 shall be transferred to the Nebraska Education Improvement  
20 Fund.

21 (2) For fiscal years 2024-25 through 2028-29, the money available to  
22 be used for education pursuant to subdivision (3)(b) of section 9-812  
23 shall be transferred as follows:

24 (a) Eight percent to the Behavioral Training Cash Fund;

25 (b) Two percent to the College Pathway Program Cash Fund;

26 (c) Seven percent to the Community College Gap Assistance Program  
27 Fund;

28 (d) Ten percent to the State Department of Education Improvement  
29 Grant Fund;

30 (e) Three percent to fund distance education incentives pursuant to  
31 section 79-1337 and flag education programs pursuant to subdivision (4)

1 of section 79-724;

2 (f) One percent to the Door to College Scholarship Fund;

3 (g) Eight percent to the Excellence in Teaching Cash Fund;

4 (h) One and one-half percent to the Expanded Learning Opportunity  
5 Grant Fund;

6 (i) One and one-half percent to the Mental Health Training Cash  
7 Fund; and

8 (j) Fifty-eight percent to the Nebraska Opportunity Grant Fund.

9 (3) For fiscal year 2029-30 and each fiscal year thereafter, the  
10 money available to be used for education pursuant to subdivision (3)(b)  
11 of section 9-812 shall be transferred as the Legislature may direct.

12 (4)(a) The Nebraska Education Improvement Fund is created. The fund  
13 shall consist of money transferred pursuant to subsection (1) of this  
14 section and any other funds transferred by the Legislature. The fund  
15 shall be allocated, after actual and necessary administrative expenses,  
16 as provided in this subsection for fiscal years 2016-17 through 2023-24.  
17 A portion of each allocation for fiscal year 2023-24 may be retained by  
18 the agency to which the allocation is made or the agency administering  
19 the fund to which the allocation is made for actual and necessary  
20 expenses incurred by such agency for administration, evaluation, and  
21 technical assistance related to the purposes of the allocation, except  
22 that no amount of the allocation to the Nebraska Opportunity Grant Fund  
23 may be used for such purposes.

24 (b) For fiscal years 2017-18 through 2023-24, an amount equal to ten  
25 percent of the revenue received by the Nebraska Education Improvement  
26 Fund in the prior fiscal year shall be retained in the fund at all times  
27 plus any interest earned during the current fiscal year. The balance of  
28 the fund on July 26, 2024, less three percent of the money received for  
29 the fourth quarter of fiscal year 2023-24, shall be transferred to the  
30 Behavioral Training Cash Fund.

31 (c) For fiscal year 2023-24, the Nebraska Education Improvement Fund

1 shall be allocated as follows:

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

5 (ii) Seventeen percent of the allocated funds to the State  
6 Department of Education Improvement Grant Fund to be used for competitive  
7 innovation grants pursuant to section 79-1054;

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

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

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

18 (d) For fiscal year 2029-30 and each fiscal year thereafter, the  
19 Nebraska Education Improvement Fund shall be allocated as the Legislature  
20 may direct.

21 (e) Any money in the fund available for investment shall be invested  
22 by the state investment officer pursuant to the Nebraska Capital  
23 Expansion Act and the Nebraska State Funds Investment Act.

24 (5) A portion of each transfer pursuant to subdivisions (2)(c), (e),  
25 (f), (g), (h), and (i) of this section may be retained by the agency  
26 administering the fund to which such transfer is made for actual and  
27 necessary expenses incurred by such agency for administration,  
28 evaluation, and technical assistance related to the purposes of the  
29 transfer.

30 (6)(a) On or before September 20, 2022, and on or before each  
31 September 20 thereafter, (i) any department or agency receiving a



1 transfer or acting as the administrator for a fund receiving a transfer  
2 pursuant to subsection (2) or (4) of this section, (ii) any recipient or  
3 subsequent recipient of money from any such fund, and (iii) any service  
4 contractor responsible for managing any portion of any such fund or any  
5 money disbursed from any such fund on behalf of any entity shall prepare  
6 and submit an annual report to the Auditor of Public Accounts in a manner  
7 prescribed by the auditor for the immediately preceding July 1 through  
8 June 30 fiscal year detailing information regarding the use of such fund  
9 or such money.

10 (b) The Auditor of Public Accounts shall annually compile a summary  
11 of the annual reports received pursuant to subdivision (6)(a) of this  
12 section, any audits related to transfers pursuant to subsection (2) or  
13 (4) of this section conducted by the Auditor of Public Accounts, and any  
14 findings or recommendations related to such transfers into a consolidated  
15 annual report and shall submit such consolidated annual report  
16 electronically to the Legislature on or before January 1, 2023, and on or  
17 before each January 1 thereafter.

18 (c) For purposes of this subsection, recipient, subsequent  
19 recipient, or service contractor means a nonprofit entity that expends  
20 funds transferred pursuant to subsection (2) or (4) of this section to  
21 carry out a state program or function, but does not include an individual  
22 who is a direct beneficiary of such a program or function.

23 (7) On or before December 31, 2027, the Education Committee of the  
24 Legislature shall electronically submit recommendations to the Clerk of  
25 the Legislature regarding how the money used for education from the State  
26 Lottery Operation Trust Fund should be allocated to best advance the  
27 educational priorities of the state for the five-year period beginning  
28 with fiscal year 2029-30.

29 **Sec. 3.** Original sections 79-724 and 79-3501, Reissue Revised  
30 Statutes of Nebraska, are repealed.