LEGISLATIVE BILL 1310

Approved by the Governor April 19, 1994

Introduced by Education Committee: Bohlke, 33, Chairperson; Beutler, 28; Janssen, 15; McKenzie, 34; Monen, 4; Rasmussen, 20; Warner, 25; Wickersham, 49

ACT relating to political subdivisions; to amend sections 79-488, 79-801.02, and 79-2208, Reissue Revised Statutes of Nebraska, 1943, sections 79-451, 79-4,159, 79-1247.06, 79-1308.01, and 79-3813, Revised Statutes Supplement, 1992, and sections 13-504, 79-101.01, 79-4,207, and 79-1281.01, Revised Statutes Supplement, 1993; to change a certification date as prescribed; to eliminate references to certain Class J cabool districts; to eliminate references ΔN to certain Class I school districts; to eliminate reporting of wages paid to substitute teachers; to change reporting dates as prescribed; to harmonize budget submission dates; to change effective date relating to mergers; to authorize issuance of passes to school and college activities; to define terms; to delete a reference to a provisional teaching certificate; to delete references to forms relating to educational service units; to provide powers for the Professional Practices Commission; to change provisions relating to evidence of investment securities as prescribed; to harmonize provisions; to provide operative dates; to repeal the original sections; and to declare an emergency. Be it enacted by the people of the State of Nebraska,

Section 1. That section 13-504, Revised Statutes Supplement, 1993,

be amended to read as follows:

LB 1310

ne amenued to read as follows:

13-504. (1) Each governing body shall prepare in writing and file with its secretary or clerk, in the year of its organization and each year thereafter, not later than the first day of August of each year on forms prescribed and furnished by the auditor following consultation with representatives of such governing bodies or as otherwise authorized by state law, a proposed budget statement containing the following information, except as provided by state law:

(a) For the immediate two prior fiscal years, the revenue from all sources, other than revenue received from taxation, allocated to each of the several funds and separately stated as to each such source, and for each fund: The unencumbered cash balance of such fund at the beginning and end of the year; the amount received by taxation allocated to each fund; and the amount

of actual expenditure for each fund;

(b) for the current fiscal year, actual and estimated revenue from all sources, allocated to each of the several funds and separately stated as to each such source, and for each fund: The actual unencumbered cash balance available for such fund at the beginning of the year; the amount received from taxation allocated to each fund; and the amount of actual and estimated expenditure, whichever is applicable. Such statement shall contain the cash reserve for each such fund for each fiscal year and shall note whether or not such reserve is encumbered. Such cash reserve projections shall be based upon the actual experience of prior years. The cash reserve shall not exceed fifty percent of the total budget adopted for such fund exclusive of capital outlay items:

(c) For the immediately ensuing fiscal year, an estimate of revenue from all sources, other than revenue to be received from taxation, separately stated as to each such source, to be allocated to each of the several funds, and for each fund: The actual or estimated unencumbered cash balances, whichever is applicable, to be available at the beginning of the year; the amounts proposed to be expended during the year; and the amount of cash reserve, based on actual experience of prior years, which cash reserve shall not exceed fifty percent of the total budget adopted exclusive of capital outlay items;

(d) A uniform summary of the proposed budget statement which shall a separate total for each fund, including each proprietary function fund included in a separate proprietary budget statement prepared pursuant to

the Municipal Proprietary Function Act, and a grand total of all funds maintained by the governing body; and

(e) For municipalities, a list of the proprietary functions which are not included in the budget statement. Such proprietary functions shall have a separate budget statement which is approved by the city council or have a separate budget statement which is approved by the city council or village board as provided in the Municipal Proprietary Function Act.

(2) Any governing body required by a final order of a court, the State Board of Equalization and Assessment, or the Tax Commissioner from which no appeal is taken to reimburse property taxes to a taxpayer may certify to the county clerk of the county in which any part of the political subdivision is situated, not later than August 25 September 10, an itemized estimate of the amount necessary to be expended to reimburse the property taxes. Such amounts shall be levied by the county board of equalization. The taxes shall be collected by the county treasurer at the same time and in the same manner as county taxes are collected and, when collected, shall be paid to the treasurer of the political subdivision and used to cover the reimbursement of the property taxes.

Any governing body which submits an itemized estimate shall establish a property tax reimbursement fund. Taxes collected pursuant to this section shall be credited to such fund to cover the reimbursement of the

property taxes.

The authority conferred by this section shall apply only to reimbursements made during fiscal years 1993-94 through 1999-2000.

(3) The actual or estimated unencumbered cash balance of each fund required to be included in the budget statement by this section shall include deposits and investments of the political subdivision as well as any funds held by the county treasurer for the political subdivision and shall be accurately stated on the proposed budget statement.

(4) The political subdivision shall correct any material errors in

the budget statement detected by the auditor or by other sources.

Sec. 2. That section 79-101.01, Revised Statutes Supplement, 1993, be amended to read as follows:

79-101.01. (1) For purposes of statutes governing schools:

(a) Affiliated school system shall mean the high school district and the Class I districts or portions of Class I districts affiliated with such high school district;

(b) Affiliation or affiliation of school districts shall mean an ongoing association of a Class I district or portion thereof not a part of a Class VI district with one or more existing Class II, III, IV, or V districts for the purpose of (i) providing a high school program serving the Class I district students and (ii) maintaining tax support to finance such program. The services provided may include student transportation; and

(c) Class VI school system shall mean a Class VI school district and each Class I school district or portion thereof which is part of the Class VI

district.

- (2) Beginning January 1, 1992, any school district boundaries changed by the means provided by Nebraska law, including the methods provided by sections 79-102.01, 79-102.02, 79-402, 79-402.03 to 79-402.10, 79-402.17, 79-402.19, 79-402.20, 79-403 to 79-402.03 to 79-408, 79-408, 79-408.01 to 79-408.03, 79-409, 79-408.01 to 79-426.01 to 79-426.19, 79-426.23 to 79-426.26, 79-426.28, 79-480 to 79-482, 79-486, 79-512, 79-533, 79-603, 79-701, 79-1107, and 79-1108 but excluding the method provided by sections 79-801 to 79-810.01, shall be made only upon an order issued by the county superintendent. If the boundaries so changed are in more than one county, such order shall be issued jointly by the county superintendents of all counties involved. The order shall be certified to the county clerk of each county in which boundaries are changed and shall also be certified to the State Department of Education. Such order shall be issued no later than June 1 and shall have an effective date no later than August 1 of the same year. For purposes of the school district boundary map provided by the county superintendent pursuant to section 23-3306, determining school district counts pursuant to section 79-458, calculating nonresident high school tuition pursuant to section 79-4,102, and calculating state aid allocations pursuant to the Tax Equity and Educational Opportunities Support Act, any change in school district boundaries with an effective date between June 1 and August 1 of any year shall be considered effective June 1 of such year.

 (3) Unless otherwise provided by state law or by the terms of an
- affiliation or reorganization plan or petition which is consistent with state law, all assets, including budget authority as provided in sections 79-3814 to 79-3821, and liabilities, except bonded obligations, of school districts merged, dissolved, or annexed shall be transferred to the receiving district or districts on the basis of the proportionate share of assessed valuation received at the time of reorganization. When a Class II, III, IV, or V school

district becomes a Class I school district:

(a) Which becomes part of a Class VI district which offers instruction in grades seven through twelve, 44.8276 percent of the Class II, III, IV, or V district's assets and liabilities shall be transferred to the new Class I district and the remainder shall be transferred to the Class VI LB 1310

district or districts of which the Class I district becomes a part on the basis of the proportionate share of assessed valuation each high school district received at the time of such change in class of district; \underline{or}

(b) Which is affiliated or becomes part of a Class VI district which offers instruction in grades nine through twelve, 61.3793 percent of the Class II, III, IV, or V school district's assets and liabilities shall be transferred to the new Class I district and the remainder shall be transferred to the Class VI district or districts of which the Class I district becomes a part and to the high school district or districts with which the Class I district is affiliated on the basis of the proportionate share of assessed valuation each high school district received at the time of such change in

class of district. 7 or (e) Which is not affiliated and is not part of any Class VI district, the new Class I district shall retain 61-3793 percent of the Class II, III, IV, or V school district's budget authority as provided in sections

79-3814 to 79-3821.

Sec. 3. That section 79-451, Revised Statutes Supplement, 1992, be amended to read as follows:

79-451. The secretary shall:

(1) On or before July 20 in all classes of school districts, deliver to the county superintendent, to be filed in his or her office, a report under oath showing the number of children from birth through twenty years of age belonging to the school district according to the census taken as provided in section 79-458. The report shall identify the number of boys and the number of girls in each of the respective age categories. Each Class I school district which is part of a Class VI school district offering instruction (a) in grades kindergarten through six shall report children from birth through eleven years of age and (b) in grades kindergarten through eight shall report children from birth through thirteen years of age. Each Class VI school district offering instruction (i) in grades seven through twelve shall report children who are twelve through twenty years of age and (ii) in grades nine through twelve children who are fourteen through twenty years of age. Each Class I district which has affiliated in whole or in part shall report children from birth through thirteen years of age. Each Class I district which has not affiliated in whole or in part apart of a Class VI district and which has not affiliated in whole or in part shall report children from birth through twenty years of age. Each Class II, III, IV, or V district shall report children who are fourteen through twenty years of age residing in Class I districts or portions thereof which have affiliated with such district. The school board of any district neglecting to take and make return of the enumeration shall be liable to the school district for all school money which

(2) On or before July 15 in all school districts, deliver to the county superintendent, to be filed in his or her office, a report under oath described as an end-of-the-school-year annual statistical summary showing (a) the number of children attending school during the year under five years of age and also the number twenty-one years of age and older, (b) the length of time the school has been taught during the year by a qualified teacher, (c) the length of time taught by each substitute teacher, and the wages paid to each, and (d) such other information as the Commissioner of Education directs;

(3) On or before October 15 in Class I school districts, submit to the county superintendent, to be filed in his or her office, and on or before November I in Class II, III, IV, V, and VI school districts, submit to the county superintendent and to the Commissioner of Education, to be filed in their offices, a report under oath described as the annual financial report showing (a) the amount of money received from all sources during the year and the amount of money expended by the school district during the year, (b) the rate of tax levied for all school purposes, (c) the amount of bonded indebtedness, (d) such other information as shall be necessary to fulfill the requirements of sections 79-4,1027, 79-33047, and 79-3803 to 79-3821, and (e) such other information as the Commissioner of Education directs; and

(4) On or before October 15 of each year, deliver to the county superintendent and to the State Department of Education the fall school district membership report, which report shall include the number of children from birth through twenty years of age enrolled in the district on the last Friday in September of a given school year. The report shall enumerate (a) resident students by grade level and nonresident students by grade level and classification, including, but not limited to, nonresident high school tuition students, option students, wards of the court, or contract students, (b) school district levies for the current fiscal year, and (c) total assessed valuation for the current fiscal year. When any school district fails to submit its fall school district membership report by November 1, the

commissioner shall, after notice to the district and an opportunity to be eard, direct that any state aid granted pursuant to the Tax Equity and Educational Opportunities Support Act be withheld until such time as the report is received by the department. In addition, the commissioner shall notify the county superintendent to direct the county treasurer to withhold all school money belonging to the school district until such time as the commissioner notifies the county superintendent of receipt of such report. The county treasurer shall withhold such money.

Sec. 4. That section 79-488, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

79-488. All boards of education, the governing authority of any nonpublic school in this state, and all independent contractors who or which provide student transportation services for such boards of education and governing boards and for military installations shall cause all pupil transportation vehicles used for the transportation of students to be inspected before school shall open opens in the fall and each eighty days during that part of the year when school is in session by a motor vehicle mechanic appointed by the board of education or governing authority having jurisdiction over such students, except that any pupil transportation vehicle that has been inspected under rules and regulations of the Public Service Commission shall be exempted from the provisions of this section. The mechanic shall thoroughly inspect every vehicle used for the transportation of students as to brakes, lights, windshield wipers, window glass, tires, doors, heaters, defrosting equipment, steering gear, exhaust system, and the mechanical condition of every part of such pupil transportation vehicle to ensure compliance with the minimum allowable safety criteria established ensure compliance with the minimum allowable safety criteria established pursuant to subdivision (13) of section 79-328. Within five days after such inspection, the mechanic shall make a report of his or her inspection in writing on regular forms provided by the State Department of Education which shall show if the vehicle met the minimum allowable safety criteria for use. Any item not meeting such criteria shall be brought into compliance prior to the vehicle being used to transport students. One copy of the mechanic's report shall be filed with the board of education or governing authority and, if the school contracts with an independent contractor to provide transportation services, one copy with the independent contractor. The chief administrative officer of each school district shall annually certify, by a written verification statement, to the State Department of Education that the inspections required pursuant to this section have been performed. verification statement shall be sent to the department no later than October 1 July 31. The chief administrative officer or chairperson of the board of education, the governing authority, or the independent contractor shall, upon request, make available the mechanic's inspection reports for each vehicle used for the transportation of students to the Nebraska State Patrol inspector when the annual school vehicle safety equipment inspections are conducted.

All such boards of education, governing authorities, and independent contractors shall also cause such pupil transportation vehicles used for the transportation of students to be safety inspected at least once during each calendar year by the Nebraska State Patrol or the patrol's carrier enforcement division. The vehicles are to be inspected to ensure compliance with the minimum allowable safety criteria prescribed in subdivision (13) of section 79-328. Upon successful completion of such inspection, an approval sticker shall be placed by the inspector on the lower inside corner of the driver's side windshield, and within five days after such inspection, the Nebraska State Patrol or the division shall make a report of its inspection in writing and file one copy of such report with the board of education, governing authority, or independent contractor and file one copy with the State Department of Education. If any inspection required by the provisions of this section discloses any equipment not in compliance with the minimum allowable safety criteria, the pupil transportation vehicle shall immediately be removed from service until the defects are corrected to the satisfaction of a Nebraska

State Patrol or division inspector.

All such boards of education, governing authorities, and independent contractors shall also cause each pupil transportation vehicle used for the transportation of students to be inspected by the Nebraska State Patrol or the patrol's carrier enforcement division for compliance with minimum equipment standards established pursuant to subdivision (13) of section 79-328 prior to being placed into service for the first time in the State of Nebraska. by the inspection a one-time minimum equipment standards sticker shall be placed by the inspector on the lower left-hand inside corner of the windshield if the pupil transportation vehicle meets such minimum standards. If the inspection reveals any equipment on the pupil transportation vehicle that is not in compliance with such minimum standards. compliance with such minimum equipment standards, the vehicle shall not be put

into service until such deficiencies are corrected and a minimum equipment Failure to remove pupil standards sticker is placed on such vehicle. transportation vehicles from service due to noncompliance with minimum safety or minimum equipment standards shall constitute a Class V misdemeanor, and conviction for such offense shall be grounds for dismissal of any employee.

In addition to the inspection requirements prescribed in this section, the driver of each pupil transportation vehicle shall make daily inspections of such vehicle to ensure that all lights and equipment are fully operational or repaired before his or her daily route. Reports of such daily inspections shall be kept by the driver in the vehicle and filed weekly with the head mechanic or administrator in charge of the transportation system. If the inspection reveals any significant defect in the lights or equipment, the driver shall immediately report the defect to the head mechanic administrator in charge of the transportation system.

Sec. 5. That section 79-4,159, Revised Statutes Supplement, 1992,

be amended to read as follows:

79-4,159. When a school board or board of education of any class of school district fails to approve a school district budget prior to the beginning of the ensuing fiscal year on or before September 10, a budget document shall be prepared and filed in accordance with the Nebraska Budget Act by the county superintendent of the county where the administrative headquarters of the school district is located for the school district's general fund and for each other fund for which the district budgeted in the immediately preceding fiscal year using the total budget of expenditures and cash reserves from the immediately preceding fiscal year, except that in no case shall the budget of expenditures or cash reserves exceed any limits prescribed in the Tax Equity and Educational Opportunities Support Act or other state laws. The county superintendent shall also estimate the revenue from sources other than property tax for each fund in accordance with subdivision (1)(c) of section 13-504 and section 79-3813.

That section 79-4,207, Revised Statutes Supplement, 1993, Sec. 6.

be amended to read as follows:

79-4,207. (1) Each school board, after making a determination that an actual or potential environmental hazard or accessibility barrier exists within the school buildings or grounds under its control, may make and deliver to the county clerk of such county in which any part of the school district is situated, not later than August 25 September 10, an itemized estimate of the amounts necessary to be expended for the abatement of such environmental hazard or accessibility barrier elimination in its school buildings or grounds. Each school board shall conduct a public hearing on the itemized estimate prior to presenting such estimate to the county clerk. Notice of the place and time of such hearing shall, at least five days prior to the date set for hearing, be published in a newspaper of general circulation within the school district or be sent by direct mailing to each resident within the district.

(2) The school board shall designate the particular environmental hazard abatement project or accessibility barrier elimination project for which the tax levy provided for by this section will be expended, the period of years, which shall not exceed ten years, for which the tax will be levied for such project, and the amount of the levy for each year thereof. The school board may designate more than one project and levy a tax pursuant to this section for each such project, concurrently or consecutively, as the case may be, if the aggregate levy in each year and the duration of each levy will not exceed the limitations specified in this section. Each levy for a project which is authorized by this section may be imposed for such duration as shall be specified by the school board notwithstanding the contemporaneous existence or subsequent imposition of any other levy for another project imposed pursuant to this section and notwithstanding the subsequent issuance by the district of bonded indebtedness payable from its general fund levy.

(3) The county clerk shall levy such taxes, not to exceed five and

one-fifth cents per one hundred dollars of taxable valuation, on the taxable property of the district necessary to cover the project costs itemized by the school board. Such taxes shall be collected by the county treasurer at the same time and in the same manner as county taxes are collected and when collected shall be paid to the treasurer of the district and used to cover the

project costs.

(4) If such school board operates grades nine through twelve as part of an affiliated school system, it shall designate the fraction of the project to be conducted for the benefit of grades nine through twelve. Such fraction shall be raised by a levy placed upon all of the taxable value of all taxable property in the affiliated school system pursuant to subsection (2) of section The balance of the project to be conducted for the benefit of grades

kindergarten through eight shall be raised by a levy placed upon all of the taxable value of all taxable property in the district which is governed by such school board. The combined rate for both levies in the high school district, to be determined by such board, shall not exceed five and one-fifth

cents on each one hundred dollars of taxable value.

(5) Each school board which submits an itemized estimate shall establish an environmental hazard abatement and accessibility barrier establish an environmental hazard abatement and accessibility barrier elimination project fund. Taxes collected pursuant to this section shall be credited to such fund to cover the project costs. Such estimates may be presented to the county clerk and taxes levied accordingly. The Director of Health shall, by January 1, 1993, 1995, 1997, and 1999, deliver a report to the Legislature estimating the amount of hazardous materials which remain in the public schools of the state.

(6) The itemized estimate submitted by a school board may include the actual cost of abatement of an environmental hazard when such abatement occurred prior to the delivery of such estimate to the county clerk and was

completed after June 28, 1982.

(7) For purposes of this section:

(a) Abatement shall include, but not be limited to, any inspection and testing regarding environmental hazards, any maintenance to reduce, lessen, put an end to, diminish, moderate, decrease, control, dispose of, or eliminate environmental hazards, any removal or encapsulation of environmentally hazardous material or property, any restoration or replacement of material or property, any related architectural and engineering services, and any other action to reduce or eliminate environmental hazards in the school buildings or on the school grounds under the school board's control, except that abatement shall not include the encapsulation of any material containing more than one percent friable asbestos;

(b) Accessibility barrier shall mean anything which impedes entry

into, exit from, or use of any building or facility by all people;

(c) Accessibility barrier elimination shall include, but not be limited to, inspection for and removal of accessibility barriers, maintenance to reduce, lessen, put an end to, diminish, control, dispose of, or eliminate accessibility barriers, related restoration or replacement of facilities or property, any related architectural and engineering services, and any other action to eliminate accessibility barriers in the school buildings or grounds under the school board's control; and

(d) Environmental hazard shall mean any contamination of the air, water, or land surface or subsurface caused by any substance adversely affecting human health or safety if such substance has been declared hazardous

by a federal or state statute, rule, or regulation.

(8) Accessibility barrier elimination project costs shall include, but not be limited to, inspection, maintenance, accounting, emergency services, consultation, or any other action to reduce or eliminate

accessibility barriers.

(9) For the purpose of paying amounts necessary for the abatement of environmental hazards and accessibility barrier elimination, the school board may borrow money and issue bonds and other evidences of indebtedness of the district, which bonds and other evidences of indebtedness shall be secured by and payable from an irrevocable pledge by the district of amounts received in respect of the tax levy provided for by this section and any other funds of the district available therefor. Bonds and other evidences of indebtedness issued by a district pursuant to this subsection shall not constitute a general obligation of the district or be payable from any portion of its general fund levy.

Sec. 7. The governing body of any school district may authorize the issuance of a pass to any elected or appointed official, employee, retired employee, or volunteer of the district, member of a senior citizens group, or city official authorizing the admittance of the recipient of the pass and his or her spouse to recognized school activities without the need for the payment of any fee or charge. Such pass may be issued at no cost to the recipient or at such cost as may be designated by the governing body.

Sec. 8. For purposes of section 7 of this act, volunteer shall mean a person who is not an elected or appointed official or employee of a school district who, at the request or with the permission of the governing body of the school district, engages in activities related to the purposes and functions of the contract of the purposes. functions of the school district or for its general benefit.

Sec. 9. That section 79-801.02, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

79-801.02. Whenever an existing school district, or a part thereof, is merged into a Class III school district under the provisions of section 79-801, such merger shall be effective on June 15 1 of the year following the

first full school year after such merger.

Sec. 10. That section 79-1247.06, Revised Statutes Supplement, 1992, be amended to read as follows:

79-1247.06. The maximum which the board may require for the first issuance of any certificate or permit, valid for teaching only in all schools for a term of not less than three years, shall be that the applicant is of sound mental and physical health and of good moral character and a statement sound mental and physical health and or good moral character and a statement countersigned by an authorized official of a standard institution of higher education which certifies the grade levels and subject fields or areas of specialization and that the applicant (1) has a baccalaureate degree, except that a master's degree shall be required for the first issuance of any the case of any person who matriculates in a teacher training program, has satisfactorily completed within two years of the date of application the institution's regular approved or accredited program of preparation for teaching and has met all other appropriate requirements of the institution as teaching and has met all other appropriate requirements of the institution as a teacher, (3) has achieved a satisfactory score on the basic skills competency examinations established or designated by the State Board of Education pursuant to section 79-1247.05 prior to (a) admission into a Nebraska teacher training program or (b) certification in the case of individuals recommended for certification by a postsecondary institution outside of Nebraska or individuals not matriculating in a teacher training program, and (4) has performed at a satisfactory level, as determined by the State Board of Education, on a subject area examination established or designated by the State Board of Education in each area for which endorsement is sought. Any person who holds the Nebraska Previsional Rural Elementary Certificate on July 10, 1976, may renew that certificate any number of times Certificate on July 10, 1976, may renew that certificate any number of times by carning not less than eight approved semester hours of course work acceptable toward a baccalaureate degree during cach of the three-year terms for which the certificate is issued.

Sec. 11. That section 79-1281.01, Revised Statutes Supplement,

1993, be amended to read as follows:

79-1281.01. The commission shall, with the advice and consent of the Governor, appoint a clerk of the commission who shall hold office at the pleasure of the commission. The clerk shall, under the direction of the chairperson of the commission, keep a complete and accurate record of the proceedings of the commission, record all pleadings and other papers filed with the commission, issue all necessary notices and writs, superintend the business of the commission, and perform such other duties as the commission directs. The clerk shall not be a member of the commission and shall not participate in hearings before the commission except to schedule and make other arrangements for the conduct of hearings.

The commission may also appoint or retain such other persons as it may deem necessary for the performance of its functions and shall prescribe their duties, fix their compensation, and provide for reimbursement of their expenses as provided in sections 81-1174 and 81-1177 within the amounts available in the budget of the commission.

Sec. 12. That section 79-1308.01, Revised Statutes Supplement,

1992, be amended to read as follows:

79-1308.01. (1) Any school district may by and with the consent of the board of education of the school district invest the funds of the school in securities the nature of which individuals of prudence, discretion, and intelligence acquire or retain in dealing with the property of another. Every school district having invested in such securities shall deliver the same as funds of the office. The interest received on any investments authorized by this section shall be credited to the fund from which the money was taken to make the investment.

(2) The securities referred to in subsection (1) of this section may be invested in through repurchase agreements. Each repurchase agreement shall require that the items purchased through the repurchase agreement be subject to repurchase from the school district upon demand by the treasurer of the school district. No such repurchase agreement shall be entered into until the treasurer of the school district who proposes to enter into the repurchase agreement has received a perfected security interest in the securities as collateral for their prompt repurchase.

(3) All securities referred to in this section or in sections 79-1032 to 79-1060 may be held and evidenced by book entry account rather than through the holding and retaining of original certificates, indentures, or

governing instruments for such securities.

Sec. 13. The board of governors of any community college area may authorize the issuance of a pass to any elected or appointed official, employee, retired employee, or volunteer of the community college area, member

of a senior citizens group, or city official authorizing the admittance of the recipient of the pass and his or her spouse to recognized college activities without the need for the payment of any fee or charge. Such pass may be issued at no cost to the recipient or at such cost as may be designated by the board of governors.

Sec. 14. For purposes of section 13 of this act, volunteer shall mean a person who is not an elected or appointed official or employee of a community college area who, at the request or with the permission of the board of governors of the community college area, engages in activities related to the purposes and functions of the community college area or for its general benefit.

Sec. 15. That section 79-2208, Reissue Revised Statutes of

Nebraska, 1943, be amended to read as follows: 79-2208. When requested in writing by local boards of education or school boards, on forms prescribed by the Commissioner of Education, the board of each educational service unit may, at its discretion and within the limitations imposed by sections 79-2209 and 79-2210, (1) provide supplementary services to (a) the requesting school systems within its geographical area, (b) requesting school systems not within its geographical area to the extent allowed under section 79-2202.02, and (c) any other educational service unit, (2) plan and coordinate educational services within its geographical area whenever such services are offered on a cooperating basis between local school districts, and (3) contract for educational services with the board of any other educational service unit, any school district, any other educational agency, or any appropriate state or federal officer or agency, except that within that area of the service unit wherein in which there exists, or is hereinafter formed, an organized, full-time, approved city-county, multicounty, or regional health department with health services available, the educational service unit, if health services are provided, shall first seek to contract for school health services with such department for an amount of compensation agreeable to both such unit and board. The board of each compensation agreeable to both such unit and board. The board of each educational service unit may charge for a portion or all of the costs of the additional services authorized by this section. If an educational service unit on December 25, 1969, has a health service facility, nothing in this section shall prevent the continued use by the unit of such facility. The educational service unit may contract with such health department to provide school health services for that area of the educational service unit not served by such city-county, multicounty, or regional health department.

Sec. 16. That section 79-3813, Revised Statutes Supplement, 1992,

be amended to read as follows:

79-3813. On or before July 1 of each year, the department shall the amounts to be distributed to each district pursuant to sections 79-3804 and 79-3806 to 79-3811 and shall certify the amounts to the Director of Administrative Services, the Auditor of Public Accounts, and each district. Such amounts shall be distributed in ten as nearly as possible equal payments on the last business day of each month beginning in September of each year and ending in June of the following year pursuant to warrants drawn against the School District Income Tax Fund and the Tax Equity and Educational Opportunities Fund. Such certified state aid amounts shall be shown as budgeted non-property-tax receipts and deducted prior to calculating the property tax request in the district's general fund budget statement as provided to the Auditor of Public Accounts and the department pursuant to section 79-3815.

Sec. 17. This section and sections 7, 8, 13, 14, and 19 of this act shall become operative on their effective date. The other sections of this act shall become operative three calendar months after the adjournment of this

legislative session.

Sec. 18. That original sections 79-488, 79-801.02, and 79-2208, Reissue Revised Statutes of Nebraska, 1943, sections 79-451, 79-4,159, 79-1247.06, 79-1308.01, and 79-3813, Revised Statutes Supplement, 1992, and sections 13-504, 79-101.01, 79-4,207, and 79-1281.01, Revised Statutes Supplement, 1993, are repealed.

Sec. 19. Since an emergency exists, this act shall be in full force and take effect, from and after its passage and approval, according to law.