

AMENDMENTS TO LB 641

(Amendments to AM1258)

Introduced by Raikes, 25

1           1. Strike the original sections and all amendments  
2 thereto and insert the following new sections:

3           Section 1. Section 32-567, Reissue Revised Statutes of  
4 Nebraska, is amended to read:

5           32-567 Vacancies in office shall be filled as follows:

6           (1) In state and judicial district offices and in the  
7 membership of any board or commission created by the state when no  
8 other method is provided, by the Governor;

9           (2) In county offices, by the county board;

10          (3) In the membership of the county board, by the county  
11 clerk, county attorney, and county treasurer;

12          (4) In township offices, by the township board or, if  
13 there are two or more vacancies on the township board, by the  
14 county board;

15          (5) In offices in public power and irrigation districts,  
16 according to section 70-615;

17          (6) In offices in natural resources districts, according  
18 to section 2-3215;

19          (7) In offices in community college areas, according to  
20 section 85-1514;

21          (8) In offices in educational service units, according to  
22 section 79-1217;

1           (9) In offices in hospital districts, according to  
2 section 23-3534;

3           (10) In offices in metropolitan utilities districts,  
4 according to section 14-2104;

5           (11) In membership on airport authority boards, according  
6 to section 3-502, 3-611, or 3-703, as applicable;

7           (12) In membership on the board of trustees of a road  
8 improvement district, according to section 39-1607; ~~and~~

9           (13) In membership on the council of a municipal county,  
10 by the council; and -

11           (14) For learning community coordinating councils,  
12 according to section 49 of this act.

13           Unless otherwise provided by law, all vacancies shall be  
14 filled within forty-five days after the vacancy occurs unless good  
15 cause is shown that the requirement imposes an undue burden.

16           Sec. 2. Section 32-606, Reissue Revised Statutes of  
17 Nebraska, is amended to read:

18           32-606 (1) Any candidate may place his or her name on  
19 the primary election ballot by filing a candidate filing form  
20 prescribed by the Secretary of State as provided in section 32-607.  
21 If a candidate for an elective office is an incumbent, the deadline  
22 for filing the candidate filing form shall be February 15 prior  
23 to the date of the primary election. No incumbent who resigns  
24 from elective office prior to the expiration of his or her term  
25 shall file for any office after February 15 of that election year.  
26 All other candidates shall file for office by March 1 prior to  
27 the date of the primary election. A candidate filing form may be

1 transmitted by facsimile for the offices listed in subdivision (1)  
2 of section 32-607 if (a) the transmission is received in the office  
3 of the filing officer by the filing deadline and (b) the original  
4 filing form is mailed to the filing officer with a legible postmark  
5 bearing a date on or prior to the filing deadline and is in the  
6 office of the filing officer no later than seven days after the  
7 filing deadline.

8 (2) Any candidate for a township office in a county  
9 under township organization, the board of trustees of a village,  
10 the board of directors of a reclamation district, the county weed  
11 district board, the board of directors of a public power district  
12 receiving annual gross revenue of less than forty million dollars,  
13 the school board of a Class II school district, learning community  
14 coordinating council, or the board of an educational service unit  
15 may place his or her name on the general election ballot by filing  
16 a candidate filing form prescribed by the Secretary of State as  
17 provided in section 32-607. If a candidate for an elective office  
18 is an incumbent, the deadline for filing the candidate filing form  
19 shall be July 15 prior to the date of the general election. No  
20 incumbent who resigns from elective office prior to the expiration  
21 of his or her term shall file for any office after July 15 of  
22 that election year. All other candidates shall file for office by  
23 August 1 prior to the date of the general election. A candidate  
24 filing form may be transmitted by facsimile for the offices listed  
25 in subdivision (1) of section 32-607 if (a) the transmission is  
26 received in the office of the filing officer by the filing deadline  
27 and (b) the original filing form is mailed to the filing officer

1 with a legible postmark bearing a date on or prior to the filing  
2 deadline and is in the office of the filing officer no later than  
3 seven days after the filing deadline.

4 (3) Any city having a home rule charter may provide for  
5 filing deadlines for any person desiring to be a candidate for the  
6 office of council member or mayor.

7 Sec. 3. Section 77-3442, Revised Statutes Cumulative  
8 Supplement, 2006, is amended to read:

9 77-3442 (1) Property tax levies for the support of local  
10 governments for fiscal years beginning on or after July 1, 1998,  
11 shall be limited to the amounts set forth in this section except as  
12 provided in section 77-3444.

13 (2) (a) Except as provided in subdivision ~~(2)(d)~~ (2)(e)  
14 of this section, school districts and multiple-district school  
15 systems, except learning communities and school districts that are  
16 members of learning communities, may levy a maximum levy of one  
17 dollar and five cents per one hundred dollars of taxable valuation  
18 of property subject to the levy.

19 (b) ~~Except as provided in subdivision (2)(d) of this~~  
20 ~~section, for fiscal year 2008-09 and~~ For each fiscal year,  
21 ~~thereafter, (i) learning communities may levy a maximum levy~~  
22 ~~for the general fund budgets of member school districts equal to~~  
23 the local effort rate prescribed in section 79-1015.01 for such  
24 fiscal year. the ratio of the aggregate difference of one hundred  
25 ten percent of the formula needs as calculated pursuant to section  
26 79-1007.02 minus the amount of state aid certified pursuant to  
27 section 79-1022 and minus the other actual receipts included in

1 ~~local system formula resources pursuant to section 79-1018.01 for~~  
2 ~~each member school district for such school fiscal year divided by~~  
3 ~~each one hundred dollars of taxable property subject to the levy~~  
4 The proceeds from levies pursuant to this subdivision shall be  
5 distributed pursuant to section 79-1073.

6 (c) Except as provided in subdivision (2)(e) of this  
7 section, for each fiscal year, except that such levy shall not  
8 exceed one dollar and two cents on each one hundred dollars of  
9 taxable property subject to the levy, and (ii) school districts  
10 that are members of learning communities may levy for purposes of  
11 such districts' general fund budget and special building funds a  
12 maximum combined levy of the difference of one dollar and two five  
13 cents on each one hundred dollars of taxable property subject to  
14 the levy minus the learning community levy levies pursuant to this  
15 subdivision for purposes of such school district's general fund  
16 budget and special building funds. subdivisions (2)(b) and (2)(g)  
17 of this section for such learning community.

18 ~~(e)~~ (d) Excluded from the limitations in subdivisions  
19 (a) and ~~(b)~~ (c) of this subsection are amounts levied to pay  
20 for sums agreed to be paid by a school district to certificated  
21 employees in exchange for a voluntary termination of employment  
22 and amounts levied to pay for special building funds and sinking  
23 funds established for projects commenced prior to April 1, 1996,  
24 for construction, expansion, or alteration of school district  
25 buildings. For purposes of this subsection, commenced means any  
26 action taken by the school board on the record which commits  
27 the board to expend district funds in planning, constructing, or

1 carrying out the project.

2 ~~(d)~~ (e) Federal aid school districts may exceed the  
3 maximum levy prescribed by subdivision (2)(a) or ~~(b)~~ (c) of  
4 this section only to the extent necessary to qualify to receive  
5 federal aid pursuant to Title VIII of Public Law 103-382, as  
6 such title existed on September 1, 2001. For purposes of this  
7 subdivision, federal aid school district means any school district  
8 which receives ten percent or more of the revenue for its general  
9 fund budget from federal government sources pursuant to Title VIII  
10 of Public Law 103-382, as such title existed on September 1, 2001.

11 ~~(e)~~ (f) For school fiscal year 2002-03 through school  
12 fiscal year 2007-08, school districts and multiple-district school  
13 systems may, upon a three-fourths majority vote of the school board  
14 of the school district, the board of the unified system, or the  
15 school board of the high school district of the multiple-district  
16 school system that is not a unified system, exceed the maximum  
17 levy prescribed by subdivision (2)(a) of this section in an amount  
18 equal to the net difference between the amount of state aid that  
19 would have been provided under the Tax Equity and Educational  
20 Opportunities Support Act without the temporary aid adjustment  
21 factor as defined in section 79-1003 for the ensuing school fiscal  
22 year for the school district or multiple-district school system  
23 and the amount provided with the temporary aid adjustment factor.  
24 The State Department of Education shall certify to the school  
25 districts and multiple-district school systems the amount by which  
26 the maximum levy may be exceeded for the next school fiscal year  
27 pursuant to this subdivision ~~(e)~~ (f) of this subsection on or

1 before February 15 for school fiscal years 2004-05 through 2007-08.

2 ~~(f)~~ (g) For ~~fiscal year 2008-09~~ and each fiscal year,  
3 ~~thereafter~~, learning communities may levy a maximum levy of two  
4 cents on each one hundred dollars of taxable property subject to  
5 the levy for special building funds for member school districts.  
6 The proceeds from the levy pursuant to this subdivision shall be  
7 distributed pursuant to section 79-1073.01.

8 ~~(g)~~ (h) For ~~fiscal year 2008-09~~ and each fiscal year,  
9 ~~thereafter~~, learning communities may levy a maximum levy of ~~one~~  
10 ~~cent~~ five cents on each one hundred dollars of taxable property  
11 subject to the levy for ~~the learning community budget elementary~~  
12 learning center facilities and for up to fifty percent of the  
13 estimated cost for capital projects approved by the learning  
14 community coordinating council pursuant to section 42 of this act.

15 (3) Community colleges may levy a maximum levy on each  
16 one hundred dollars of taxable property subject to the levy of  
17 seven cents, plus amounts allowed under subsection (7) of section  
18 85-1536.01, except that any community college whose valuation per  
19 reported aid equivalent student as defined in section 85-1503 was  
20 less than eighty-two percent of the average valuation per statewide  
21 reimbursable reported aid equivalent total as defined in section  
22 85-1503 for all community colleges for fiscal year 1997-98 may levy  
23 up to an additional one-half cent for each of fiscal years 2005-06  
24 and 2006-07 upon a three-fourths majority vote of the board.

25 (4) Natural resources districts may levy a maximum levy  
26 of four and one-half cents per one hundred dollars of taxable  
27 valuation of property subject to the levy. Natural resources

1 districts shall also have the power and authority to levy a  
2 tax equal to the dollar amount by which their restricted funds  
3 budgeted to administer and implement ground water management  
4 activities and integrated management activities under the Nebraska  
5 Ground Water Management and Protection Act exceed their restricted  
6 funds budgeted to administer and implement ground water management  
7 activities and integrated management activities for FY2003-04,  
8 not to exceed one cent on each one hundred dollars of taxable  
9 valuation annually on all of the taxable property within the  
10 district. In addition, natural resources districts located in a  
11 river basin, subbasin, or reach that has been determined to be  
12 fully appropriated pursuant to section 46-714 or designated as  
13 overappropriated pursuant to section 46-713 by the Department of  
14 Natural Resources shall also have the power and authority to  
15 levy a tax equal to the dollar amount by which their restricted  
16 funds budgeted to administer and implement ground water management  
17 activities and integrated management activities under the Nebraska  
18 Ground Water Management and Protection Act exceed their restricted  
19 funds budgeted to administer and implement ground water management  
20 activities and integrated management activities for FY2005-06, not  
21 to exceed three cents on each one hundred dollars of taxable  
22 valuation on all of the taxable property within the district for  
23 fiscal year 2006-07 and not to exceed two cents on each one  
24 hundred dollars of taxable valuation annually on all of the taxable  
25 property within the district for fiscal years 2007-08 and 2008-09.

26 (5) Educational service units may levy a maximum levy of  
27 one and one-half cents per one hundred dollars of taxable valuation



1 of property subject to the levy.

2 (6) (a) Incorporated cities and villages which are not  
3 within the boundaries of a municipal county may levy a maximum levy  
4 of forty-five cents per one hundred dollars of taxable valuation  
5 of property subject to the levy plus an additional five cents per  
6 one hundred dollars of taxable valuation to provide financing for  
7 the municipality's share of revenue required under an agreement  
8 or agreements executed pursuant to the Interlocal Cooperation Act  
9 or the Joint Public Agency Act. The maximum levy shall include  
10 amounts levied to pay for sums to support a library pursuant  
11 to section 51-201, museum pursuant to section 51-501, visiting  
12 community nurse, home health nurse, or home health agency pursuant  
13 to section 71-1637, or statue, memorial, or monument pursuant to  
14 section 80-202.

15 (b) Incorporated cities and villages which are within the  
16 boundaries of a municipal county may levy a maximum levy of ninety  
17 cents per one hundred dollars of taxable valuation of property  
18 subject to the levy. The maximum levy shall include amounts paid  
19 to a municipal county for county services, amounts levied to pay  
20 for sums to support a library pursuant to section 51-201, a museum  
21 pursuant to section 51-501, a visiting community nurse, home health  
22 nurse, or home health agency pursuant to section 71-1637, or a  
23 statue, memorial, or monument pursuant to section 80-202.

24 (7) Sanitary and improvement districts which have been in  
25 existence for more than five years may levy a maximum levy of forty  
26 cents per one hundred dollars of taxable valuation of property  
27 subject to the levy, and sanitary and improvement districts which

1 have been in existence for five years or less shall not have  
2 a maximum levy. Unconsolidated sanitary and improvement districts  
3 which have been in existence for more than five years and are  
4 located in a municipal county may levy a maximum of eighty-five  
5 cents per hundred dollars of taxable valuation of property subject  
6 to the levy.

7 (8) Counties may levy or authorize a maximum levy of  
8 fifty cents per one hundred dollars of taxable valuation of  
9 property subject to the levy, except that five cents per one  
10 hundred dollars of taxable valuation of property subject to the  
11 levy may only be levied to provide financing for the county's  
12 share of revenue required under an agreement or agreements executed  
13 pursuant to the Interlocal Cooperation Act or the Joint Public  
14 Agency Act. The maximum levy shall include amounts levied to pay  
15 for sums to support a library pursuant to section 51-201 or museum  
16 pursuant to section 51-501. The county may allocate up to fifteen  
17 cents of its authority to other political subdivisions subject  
18 to allocation of property tax authority under subsection (1) of  
19 section 77-3443 and not specifically covered in this section to  
20 levy taxes as authorized by law which do not collectively exceed  
21 fifteen cents per one hundred dollars of taxable valuation on any  
22 parcel or item of taxable property. The county may allocate to  
23 one or more other political subdivisions subject to allocation  
24 of property tax authority by the county under subsection (1) of  
25 section 77-3443 some or all of the county's five cents per one  
26 hundred dollars of valuation authorized for support of an agreement  
27 or agreements to be levied by the political subdivision for the

1 purpose of supporting that political subdivision's share of revenue  
2 required under an agreement or agreements executed pursuant to the  
3 Interlocal Cooperation Act or the Joint Public Agency Act. If an  
4 allocation by a county would cause another county to exceed its  
5 levy authority under this section, the second county may exceed the  
6 levy authority in order to levy the amount allocated.

7 (9) Municipal counties may levy or authorize a maximum  
8 levy of one dollar per one hundred dollars of taxable valuation  
9 of property subject to the levy. The municipal county may allocate  
10 levy authority to any political subdivision or entity subject to  
11 allocation under section 77-3443.

12 (10) Property tax levies for judgments, except judgments  
13 or orders from the Commission of Industrial Relations, obtained  
14 against a political subdivision which require or obligate a  
15 political subdivision to pay such judgment, to the extent such  
16 judgment is not paid by liability insurance coverage of a  
17 political subdivision, for preexisting lease-purchase contracts  
18 approved prior to July 1, 1998, for bonded indebtedness approved  
19 according to law and secured by a levy on property, and for  
20 payments by a public airport to retire interest-free loans from the  
21 Department of Aeronautics in lieu of bonded indebtedness at a lower  
22 cost to the public airport are not included in the levy limits  
23 established by this section.

24 (11) The limitations on tax levies provided in this  
25 section are to include all other general or special levies  
26 provided by law. Notwithstanding other provisions of law, the  
27 only exceptions to the limits in this section are those provided by

1 or authorized by sections 77-3442 to 77-3444.

2 (12) Tax levies in excess of the limitations in this  
3 section shall be considered unauthorized levies under section  
4 77-1606 unless approved under section 77-3444.

5 (13) For purposes of sections 77-3442 to 77-3444,  
6 political subdivision means a political subdivision of this state  
7 and a county agricultural society.

8 Sec. 4. Section 79-4,117, Revised Statutes Cumulative  
9 Supplement, 2006, is amended to read:

10 79-4,117 Sections 79-4,117 to ~~79-4,130~~ 79-4,129 shall be  
11 known and may be cited as the Learning Community Reorganization  
12 Act.

13 Sec. 5. Section 79-4,125, Revised Statutes Cumulative  
14 Supplement, 2006, is amended to read:

15 79-4,125 ~~Except as provided in section 79-4,130, if~~ If  
16 the state committee disapproves the plan pursuant to the Learning  
17 Community Reorganization Act, it shall be considered a disapproved  
18 plan and returned to the learning community coordinating council as  
19 a disapproved plan.

20 Sec. 6. Section 79-4,126, Revised Statutes Cumulative  
21 Supplement, 2006, is amended to read:

22 79-4,126 When a plan of reorganization or any part  
23 thereof has been approved by the state committee pursuant to the  
24 Learning Community Reorganization Act, it shall be designated as  
25 the final approved plan and shall be returned to the learning  
26 community coordinating council to be submitted to the school  
27 boards of the affected school districts for approval or rejection

1 by such school boards within forty-five days. ~~except that~~  
2 ~~reorganizations required pursuant to section 79-4,130 shall not~~  
3 ~~require the approval of any school board and approval shall not be~~  
4 ~~required by any school board for dissolutions required pursuant to~~  
5 ~~section 79-2108.~~

6 Sec. 7. Section 79-4,128, Revised Statutes Cumulative  
7 Supplement, 2006, is amended to read:

8 79-4,128 If the plan of reorganization is approved  
9 by the state committee and the school board of each affected  
10 school district, ~~if required,~~ pursuant to the Learning Community  
11 Reorganization Act, the county clerk shall proceed to cause the  
12 changes, realignment, and adjustment of districts to be carried out  
13 as provided in the plan. The county clerk shall classify the school  
14 districts according to the plan of reorganization. He or she shall  
15 also file certificates with the county assessor, county treasurer,  
16 and state committee showing the boundaries of the various districts  
17 under the approved plan of reorganization.

18 Sec. 8. Section 79-528, Revised Statutes Cumulative  
19 Supplement, 2006, is amended to read:

20 79-528 (1)(a) On or before July 20 in all school  
21 districts, the superintendent or head administrator shall file  
22 with the State Department of Education a report under oath showing  
23 the number of children from five through eighteen years of age  
24 belonging to the school district according to the census taken as  
25 provided in sections 79-524 and 79-578. The report shall identify  
26 the number of boys and the number of girls in each of the  
27 respective age categories. On or before July 20, school districts

1 that are members of learning communities shall provide the learning  
2 community coordinating council with a copy of the report filed  
3 with the department. On or before August 1, each learning community  
4 coordinating council shall file with the department a report  
5 showing the number of children from five through eighteen years  
6 of age belonging to the member school districts according to the  
7 school district reports filed with the department.

8 (b) Each Class I school district which is part of a Class  
9 VI school district offering instruction (i) in grades kindergarten  
10 through five shall report children from five through ten years  
11 of age, (ii) in grades kindergarten through six shall report  
12 children from five through eleven years of age, and (iii) in grades  
13 kindergarten through eight shall report children from five through  
14 thirteen years of age.

15 (c) Each Class VI school district offering instruction  
16 (i) in grades six through twelve shall report children who are  
17 eleven through eighteen years of age, (ii) in grades seven through  
18 twelve shall report children who are twelve through eighteen years  
19 of age, and (iii) in grades nine through twelve children who are  
20 fourteen through eighteen years of age.

21 (d) Each Class I district which has affiliated in whole  
22 or in part shall report children from five through thirteen years  
23 of age.

24 (e) Each Class II, III, IV, or V district shall report  
25 children who are fourteen through eighteen years of age residing in  
26 Class I districts or portions thereof which have affiliated with  
27 such district.

1           (f) The board of any district neglecting to take and  
2 report the enumeration shall be liable to the school district for  
3 all school money which such district may lose by such neglect.

4           (2) On or before June 30 the superintendent or head  
5 administrator of each school district shall file with the  
6 Commissioner of Education a report under oath described as an  
7 end-of-the-school-year annual statistical summary showing (a) the  
8 number of children attending school during the year under five  
9 years of age, (b) the length of time the school has been taught  
10 during the year by a qualified teacher, (c) the length of time  
11 taught by each substitute teacher, and (d) such other information  
12 as the Commissioner of Education directs. On or before June 30,  
13 school districts that are members of learning communities shall  
14 also provide the learning community coordinating council with a  
15 copy of the report filed with the commissioner. On or before July  
16 15, each learning community coordinating council shall file with  
17 the commissioner a ~~report showing the number of children from five~~  
18 ~~through eighteen years of age belonging to~~ an end-of-the-school  
19 year annual statistical summary for the learning community based  
20 on the member school districts according to the school district  
21 reports filed with the commissioner.

22           (3) (a) On or before November 1 the superintendent or  
23 head administrator of each school district shall submit to the  
24 Commissioner of Education, to be filed in his or her office, a  
25 report under oath described as the annual financial report showing  
26 (i) the amount of money received from all sources during the year  
27 and the amount of money expended by the school district during

1 the year, (ii) the amount of bonded indebtedness, (iii) such other  
2 information as shall be necessary to fulfill the requirements  
3 of the Tax Equity and Educational Opportunities Support Act  
4 and section 79-1114, and (iv) such other information as the  
5 Commissioner of Education directs.

6 (b) On or before November 1, school districts that are  
7 members of learning communities shall also provide the learning  
8 community coordinating council with a copy of the report submitted  
9 to the commissioner. On or before November 15, each learning  
10 community coordinating council shall submit to the commissioner,  
11 to be filed in his or her office, a report described as the  
12 annual financial report showing (i) the aggregate amount of money  
13 received from all sources during the year for all member school  
14 districts and the aggregate amount of money expended by member  
15 school districts during the year, (ii) the aggregate amount of  
16 bonded indebtedness for all member school districts, (iii) such  
17 other aggregate information as shall be necessary to fulfill  
18 the requirements of the Tax Equity and Educational Opportunities  
19 Support Act and section 79-1114 for all member school districts,  
20 and (iv) such other aggregate information as the Commissioner of  
21 Education directs for all member school districts.

22 (4) (a) On or before October 15 of each year, the  
23 superintendent or head administrator of each school district shall  
24 deliver to the department the fall school district membership  
25 report, which report shall include the number of children from  
26 birth through twenty years of age enrolled in the district on the  
27 last Friday in September of a given school year. The report shall



1 enumerate (i) students by grade level, (ii) school district levies  
2 and total assessed valuation for the current fiscal year, and (iii)  
3 such other information as the Commissioner of Education directs.

4 (b) On or before October 15 of each year, school  
5 districts that are members of learning communities shall also  
6 provide the learning community coordinating council with a copy of  
7 the report delivered to the department. On or before October 31  
8 of each year, each learning community coordinating council shall  
9 deliver to the department the fall learning community membership  
10 report, which report shall include the aggregate number of children  
11 from birth through twenty years of age enrolled in the member  
12 school districts on the last Friday in September of a given  
13 school year for all member school districts. The report shall  
14 enumerate (i) the aggregate students by grade level for all member  
15 school districts, (ii) learning community levies and total assessed  
16 valuation for the current fiscal year, and (iii) such other  
17 information as the Commissioner of Education directs.

18 (c) When any school district or learning community  
19 fails to submit its fall membership report by November 1, the  
20 commissioner shall, after notice to the district and an opportunity  
21 to be heard, direct that any state aid granted pursuant to the  
22 Tax Equity and Educational Opportunities Support Act be withheld  
23 until such time as the report is received by the department. In  
24 addition, the commissioner shall direct the county treasurer to  
25 withhold all school money belonging to the school district or  
26 learning community until such time as the commissioner notifies the  
27 county treasurer of receipt of such report. The county treasurer

1 shall withhold such money. For school districts that are members  
2 of learning communities, a determination of school money belonging  
3 to the district shall be based on the proportionate share of state  
4 aid and property tax receipts allocated to the school district  
5 by the learning community coordinating council, and the treasurer  
6 of the learning community coordinating council shall withhold any  
7 such school money in the possession of the learning community from  
8 the school district. If a school district that is a member of  
9 a learning community fails to provide a copy of the report to  
10 the learning community coordinating council on or before October  
11 15, the learning community coordinating council shall complete the  
12 fall learning community membership report with information from the  
13 reports received from other member school districts.

14           Sec. 9. Section 79-611, Revised Statutes Cumulative  
15 Supplement, 2006, as affected by Referendum 2006, No. 422, is  
16 amended to read:

17           79-611 (1) The school board of any school district ~~that~~  
18 ~~is not subject to subsection (2) of this section~~ shall either  
19 provide free transportation or pay an allowance for transportation  
20 in lieu of free transportation as follows:

21           (a) When a student attends an elementary school in his  
22 or her own district and lives more than four miles from the public  
23 schoolhouse in such district;

24           (b) When a student is required to attend an elementary  
25 school outside of his or her own district and lives more than four  
26 miles from such elementary school;

27           (c) When a student attends a secondary school in his or

1 her own Class II or Class III school district and lives more than  
2 four miles from the public schoolhouse. This subdivision does not  
3 apply when one or more Class I school districts merge with a Class  
4 VI school district to form a new Class II or III school district on  
5 or after January 1, 1997; and

6 (d) When a student, other than a student in grades ten  
7 through twelve in a Class V district, attends an elementary or  
8 junior high school in his or her own Class V district and lives  
9 more than four miles from the public schoolhouse in such district.

10 (2) The school board of any school district that is a  
11 member of a learning community ~~subject to the enrollment provisions~~  
12 ~~of section 79-2110~~ shall provide free transportation for a student  
13 if ~~(a) the student is a resident of any school district that is a~~  
14 ~~member of such learning community,~~ ~~(b) the any student is attending~~  
15 ~~a school in the such school district under the control of such~~  
16 ~~school board,~~ and ~~(c) the student does not reside in the attendance~~  
17 ~~area for such school,~~ pursuant to the acceptance of an application  
18 to attend such school pursuant to section 79-2110 without regard  
19 to the resident school district of such student. Transportation  
20 shall be provided from the school building providing education in  
21 at least kindergarten through grade three in the attendance area  
22 in which the student resides ~~to the school building the student~~  
23 ~~attends.~~ a location not more than one-half mile from the residence  
24 of the student to the school building the student attends. Such  
25 transportation shall be provided free to any student qualifying  
26 for free or reduced-price lunches, any student attending a school  
27 building in which at least thirty-five percent of the students

1 attending the school building who reside in the attendance area  
2 of such school building qualify for free or reduced-price lunches,  
3 and any student attending a focus school or program who lives more  
4 than one-half mile from the focus school or program. For students  
5 attending pursuant to acceptance of such an application who do not  
6 qualify for free transportation, transportation shall be provided  
7 for a uniform fee set by the learning community coordinating  
8 council. This subsection does not prohibit a school district that  
9 is a member of a learning community from providing additional  
10 transportation to any student.

11           (3) The transportation allowance which may be paid to  
12 the parent, custodial parent, or guardian of students qualifying  
13 for free transportation pursuant to subsection (1) or (2) of this  
14 section shall equal two hundred eighty-five percent of the mileage  
15 rate provided in section 81-1176, multiplied by each mile actually  
16 and necessarily traveled, on each day of attendance, beyond which  
17 the one-way distance from the residence of the student to the  
18 schoolhouse exceeds three miles.

19           (4) Whenever students from more than one family travel to  
20 school in the same vehicle, the transportation allowance prescribed  
21 in subsection (3) of this section shall be payable as follows:

22           (a) To the parent, custodial parent, or guardian  
23 providing transportation for students from other families, one  
24 hundred percent of the amount prescribed in subsection (3) of  
25 this section for the transportation of students of such parent's,  
26 custodial parent's, or guardian's own family and an additional  
27 five percent for students of each other family not to exceed a

1 maximum of one hundred twenty-five percent of the amount determined  
2 pursuant to subsection (3) of this section; and

3 (b) To the parent, custodial parent, or guardian not  
4 providing transportation for students of other families, two  
5 hundred eighty-five percent of the mileage rate provided in section  
6 81-1176 multiplied by each mile actually and necessarily traveled,  
7 on each day of attendance, from the residence of the student to  
8 the pick-up point at which students transfer to the vehicle of a  
9 parent, custodial parent, or guardian described in subdivision (a)  
10 of this subsection.

11 (5) The board may authorize school-provided  
12 transportation to any student who does not qualify under the  
13 mileage requirements of subsection (1) of this section and may  
14 charge a fee to the parent or guardian of the student for such  
15 service. An affiliated high school district may provide free  
16 transportation or pay the allowance described in this section for  
17 high school students residing in an affiliated Class I district. No  
18 transportation payments shall be made to a family for mileage not  
19 actually traveled by such family. The number of days the student  
20 has attended school shall be reported monthly by the teacher to the  
21 board of such public school district.

22 (6) No more than one allowance shall be made to a  
23 family irrespective of the number of students in a family being  
24 transported to school. If a family resides in a Class I district  
25 which is part of a Class VI district and has students enrolled in  
26 any of the grades offered by the Class I district and in any of  
27 the non-high-school grades offered by the Class VI district, such

1 family shall receive not more than one allowance for the distance  
2 actually traveled when both districts are on the same direct travel  
3 route with one district being located a greater distance from the  
4 residence than the other. In such cases, the travel allowance shall  
5 be prorated among the school districts involved.

6 (7) No student shall be exempt from school attendance on  
7 account of distance from the public schoolhouse.

8 Sec. 10. Section 79-769, Revised Statutes Cumulative  
9 Supplement, 2006, is amended to read:

10 79-769 (1) Any one or more member school district  
11 districts of a learning community may establish a focus school  
12 or program anywhere in the learning community with approval from  
13 the learning community coordinating council. A focus school or  
14 program shall be:

15 ~~(1)~~ (a) Centered around meeting specific learning goals  
16 that are an addition to the standard curriculum;

17 ~~(2)~~ (b) Open to all students residing in the learning  
18 community in the grades offered on an equal basis; and

19 ~~(3)~~ (c) Designed to create an economically and culturally  
20 diverse learning environment.

21 (2) A learning community coordinating council may also  
22 designate magnet pathways which shall consist of focus schools or  
23 programs at different grade levels centered around similar learning  
24 goals where participating students who complete the grades offered  
25 at a focus school or program that is part of a magnet pathway  
26 are allowed to attend the focus school or program offering the  
27 next grade level as part of such magnet pathway as a continuing

1 student pursuant to subsection (5) of section 79-2110. Preference  
2 shall be given for designating magnet pathways with focus schools  
3 or programs in different school districts.

4           Sec. 11. Section 79-1001, Revised Statutes Cumulative  
5 Supplement, 2006, is amended to read:

6           79-1001 Sections 79-1001 to 79-1033 and sections 13, 23,  
7 24, 25, and 26 of this act shall be known and may be cited as the  
8 Tax Equity and Educational Opportunities Support Act.

9           Sec. 12. Section 79-1003, Revised Statutes Cumulative  
10 Supplement, 2006, as affected by Referendum 2006, No. 422, is  
11 amended to read:

12           79-1003 For purposes of the Tax Equity and Educational  
13 Opportunities Support Act:

14           (1) Adjusted general fund operating expenditures means  
15 (a) for school fiscal years before school fiscal year 2007-08,  
16 general fund operating expenditures as calculated pursuant  
17 to subdivision (24) of this section minus the transportation  
18 allowance and minus the special receipts allowance, (b) for  
19 school fiscal year 2007-08, general fund operating expenditures  
20 as calculated pursuant to subdivision (24) of this section minus  
21 the sum of the transportation, special receipts, and distance  
22 education and telecommunications allowances, and (c) for school  
23 fiscal year 2008-09 and each school fiscal year thereafter,  
24 the difference of the product of the general fund operating  
25 expenditures as calculated pursuant to subdivision (24) of this  
26 section multiplied by the cost growth factor for the school  
27 district's cost grouping calculated pursuant to section 79-1007.10

1 minus the transportation allowance, special receipts allowance,  
2 poverty allowance, limited English proficiency allowance, distance  
3 education and telecommunications allowance, elementary class size  
4 allowance, learning community allowance, and focus school and  
5 program allowance;

6 (2) Adjusted valuation means the assessed valuation of  
7 taxable property of each local system in the state, adjusted  
8 pursuant to the adjustment factors described in section 79-1016.  
9 Adjusted valuation means the adjusted valuation for the property  
10 tax year ending during the school fiscal year immediately preceding  
11 the school fiscal year in which the aid based upon that value is  
12 to be paid. For purposes of determining the local effort rate yield  
13 pursuant to section 79-1015.01, adjusted valuation does not include  
14 the value of any property which a court, by a final judgment from  
15 which no appeal is taken, has declared to be nontaxable or exempt  
16 from taxation;

17 (3) Allocated income tax funds means the amount of  
18 assistance paid to a local system pursuant to section 79-1005.01 or  
19 79-1005.02 as adjusted by the minimum levy adjustment pursuant to  
20 section 79-1008.02;

21 (4) Average daily attendance of a student who resides on  
22 Indian land means average daily attendance of a student who resides  
23 on Indian land from the most recent data available on November 1  
24 preceding the school fiscal year in which aid is to be paid;

25 (5) Average daily membership means the average daily  
26 membership for grades kindergarten through twelve attributable to  
27 the local system, as provided in each district's annual statistical



1 summary, and includes the proportionate share of students enrolled  
2 in a public school instructional program on less than a full-time  
3 basis;

4 (6) Base fiscal year means the first school fiscal year  
5 following the school fiscal year in which the reorganization or  
6 unification occurred;

7 (7) Board means the school board of each school district;

8 (8) Categorical funds means funds limited to a specific  
9 purpose by federal or state law, including, but not limited to,  
10 Title I funds, Title VI funds, federal vocational education funds,  
11 federal school lunch funds, Indian education funds, Head Start  
12 funds, and funds from the Education Innovation Fund;

13 (9) Consolidate means to voluntarily reduce the number of  
14 school districts providing education to a grade group and does not  
15 include dissolution pursuant to section 79-498;

16 (10) Converted contract means an expired contract that  
17 was in effect for at least fifteen years for the education of  
18 students in a nonresident district in exchange for tuition from  
19 the resident district when the expiration of such contract results  
20 in the nonresident district educating students who would have been  
21 covered by the contract if the contract were still in effect  
22 as option students pursuant to the enrollment option program  
23 established in section 79-234;

24 (11) Converted contract option students means students  
25 who will be option students pursuant to the enrollment option  
26 program established in section 79-234 for the school fiscal year  
27 for which aid is being calculated and who would have been covered

1 by a converted contract if the contract were still in effect and  
2 such school fiscal year is the first school fiscal year for which  
3 such contract is not in effect;

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

5 (13) Distance education and telecommunications allowance  
6 means, for state aid calculated for school fiscal year 2007-08  
7 and each school fiscal year thereafter, eighty-five percent of  
8 the difference of the costs for (a) telecommunications services,  
9 (b) access to data transmission networks that transmit data to  
10 and from the school district, and (c) the transmission of data  
11 on such networks paid by the school districts in the local  
12 system as reported on the annual financial report for the most  
13 recently available complete data year minus the receipts from the  
14 federal Universal Service Fund pursuant to section 254 of the  
15 Telecommunications Act of 1996, 47 U.S.C. 254, as such section  
16 existed on January 1, 2006, for the school districts in the local  
17 system as reported on the annual financial report for the most  
18 recently available complete data year;

19 (14) District means any Class I, II, III, IV, V, or VI  
20 school district;

21 (15) Ensuing school fiscal year means the school fiscal  
22 year following the current school fiscal year;

23 (16) Equalization aid means the amount of assistance  
24 calculated to be paid to a local system pursuant to sections  
25 79-1008.01 to 79-1022 and 79-1022.02;

26 (17) Fall membership means the total membership in  
27 kindergarten through grade twelve attributable to the local system

1 as reported on the fall school district membership reports for each  
2 district pursuant to section 79-528;

3 (18) Fiscal year means the state fiscal year which is the  
4 period from July 1 to the following June 30;

5 (19) Formula students means (a) for state aid certified  
6 pursuant to section 79-1022, the sum of fall membership from the  
7 school fiscal year immediately preceding the school fiscal year in  
8 which the aid is to be paid, multiplied by the average ratio of  
9 average daily membership to fall membership for the second school  
10 fiscal year immediately preceding the school fiscal year in which  
11 aid is to be paid and the prior two school fiscal years, plus  
12 qualified early childhood education fall membership plus tuitioned  
13 students from the school fiscal year immediately preceding the  
14 school fiscal year in which the aid is to be paid and (b) for final  
15 calculation of state aid pursuant to section 79-1065, the sum of  
16 average daily membership plus qualified early childhood education  
17 average daily membership plus tuitioned students from the school  
18 fiscal year immediately preceding the school fiscal year in which  
19 the aid was paid;

20 (20) Free lunch and free milk student means a student  
21 who qualified for free lunches or free milk from the most recent  
22 data available on November 1 of the school fiscal year immediately  
23 preceding the school fiscal year in which aid is to be paid;

24 (21) Full-day kindergarten means kindergarten offered by  
25 a district for at least one thousand thirty-two instructional  
26 hours;

27 (22) General fund budget of expenditures means the total

1 budget of disbursements and transfers for general fund purposes as  
2 certified in the budget statement adopted pursuant to the Nebraska  
3 Budget Act, except that for purposes of the limitation imposed in  
4 section 79-1023, the calculation of Class I total allowable general  
5 fund budget of expenditures minus the special education budget of  
6 expenditures pursuant to section 79-1083.03, and the calculation  
7 pursuant to subdivision (2) of section 79-1027.01, the general fund  
8 budget of expenditures does not include any special grant funds,  
9 exclusive of local matching funds, received by a district subject  
10 to the approval of the department;

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

13           (24) General fund operating expenditures means the total  
14 general fund expenditures minus categorical funds, tuition paid,  
15 transportation fees paid to other districts, adult education,  
16 summer school, community services, redemption of the principal  
17 portion of general fund debt service, retirement incentive plans,  
18 staff development assistance, and transfers from other funds into  
19 the general fund for the second school fiscal year immediately  
20 preceding the school fiscal year in which aid is to be paid as  
21 reported on the annual financial report prior to December 1 of the  
22 school fiscal year immediately preceding the school fiscal year in  
23 which aid is to be paid;

24           (25) High school district means a school district  
25 providing instruction in at least grades nine through twelve;

26           (26) Income tax liability means the amount of the  
27 reported income tax liability for resident individuals pursuant

1 to the Nebraska Revenue Act of 1967 less all nonrefundable credits  
2 earned and refunds made;

3 (27) Income tax receipts means the amount of income tax  
4 collected pursuant to the Nebraska Revenue Act of 1967 less all  
5 nonrefundable credits earned and refunds made;

6 (28) Limited English proficiency student means a student  
7 with limited English proficiency from the most recent data  
8 available on November 1 of the school fiscal year preceding  
9 the school fiscal year in which aid is to be paid;

10 (29) Local system means a Class VI district and the  
11 associated Class I districts or a Class II, III, IV, or V district  
12 and any affiliated Class I districts or portions of Class I  
13 districts and for school fiscal year 2008-09 and each school fiscal  
14 year thereafter, a learning community or a Class II, III, IV,  
15 or V district that is not a member of a learning community.  
16 The membership, expenditures, and resources of Class I districts  
17 that are affiliated with multiple high school districts will be  
18 attributed to local systems based on the percent of the Class I  
19 valuation that is affiliated with each high school district;

20 (30) Low-income child means (a) for school fiscal years  
21 prior to 2008-09, a child under nineteen years of age living in  
22 a household having an annual adjusted gross income of fifteen  
23 thousand dollars or less for the second calendar year preceding  
24 the beginning of the school fiscal year for which aid is being  
25 calculated and (b) for school fiscal year 2008-09 and each school  
26 fiscal year thereafter, a child under nineteen years of age living  
27 in a household having an annual adjusted gross income for the

1 second calendar year preceding the beginning of the school fiscal  
2 year for which aid is being calculated equal to or less than the  
3 maximum household income that would allow a student from a family  
4 of four people to be a free lunch and free milk student during the  
5 school fiscal year immediately preceding the school fiscal year for  
6 which aid is being calculated;

7 (31) Low-income students means the number of low-income  
8 children within the local system multiplied by the ratio of the  
9 formula students in the local system divided by the total children  
10 under nineteen years of age residing in the local system as derived  
11 from income tax information;

12 (32) Most recently available complete data year means  
13 the most recent single school fiscal year for which the annual  
14 financial report, fall school district membership report, annual  
15 statistical summary, Nebraska income tax liability by school  
16 district for the calendar year in which the majority of the school  
17 fiscal year falls, and adjusted valuation data are available;

18 (33) Poverty students means the number of low-income  
19 students or the number of ~~formula~~ students who are free lunch and  
20 free milk students in a local system, whichever is greater;

21 (34) Qualified early childhood education average daily  
22 membership means the product of the average daily membership for  
23 school fiscal year 2006-07 and each school fiscal year thereafter  
24 of students who will be eligible to attend kindergarten the  
25 following school year and are enrolled in an early childhood  
26 education program approved by the department pursuant to section  
27 79-1103 for such school district for such school year if: (a)

1 The program is receiving a grant pursuant to such section for the  
2 third year; (b) the program has already received grants pursuant to  
3 such section for three years; or (c) the program has been approved  
4 pursuant to subsection (5) of section 79-1103 for such school year  
5 and the two preceding school years, including any such students  
6 in portions of any of such programs receiving an expansion grant,  
7 multiplied by the ratio of the actual instructional hours of the  
8 program divided by one thousand thirty-two;

9 (35) Qualified early childhood education fall membership  
10 means the product of membership on the last Friday in September  
11 2006 and each year thereafter of students who will be eligible  
12 to attend kindergarten the following school year and are enrolled  
13 in an early childhood education program approved by the department  
14 pursuant to section 79-1103 for such school district for such  
15 school year if: (a) The program is receiving a grant pursuant  
16 to such section for the third year; (b) the program has already  
17 received grants pursuant to such section for three years; or (c)  
18 the program has been approved pursuant to subsection (5) of section  
19 79-1103 for such school year and the two preceding school years,  
20 including any such students in portions of any of such programs  
21 receiving an expansion grant, multiplied by the ratio of the  
22 planned instructional hours of the program divided by one thousand  
23 thirty-two;

24 (36) Regular route transportation means the  
25 transportation of students on regularly scheduled daily routes to  
26 and from the attendance center;

27 (37) Reorganized district means any district involved

1 in a consolidation and currently educating students following  
2 consolidation;

3 (38) School year or school fiscal year means the fiscal  
4 year of a school district as defined in section 79-1091;

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

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

16 (41) Special receipts allowance means the amount of  
17 special education, state ward, and accelerated or differentiated  
18 curriculum program receipts included in local system formula  
19 resources under subdivisions (7), (8), (16), and (17) of section  
20 79-1018.01 attributable to the school district;

21 (42) State aid means the amount of assistance paid to a  
22 district pursuant to the Tax Equity and Educational Opportunities  
23 Support Act;

24 (43) State board means the State Board of Education;

25 (44) State support means all funds provided to districts  
26 by the State of Nebraska for the general fund support of elementary  
27 and secondary education;



1                   (45) Temporary aid adjustment factor means (a) for school  
2 fiscal years before school fiscal year 2007-08, one and one-fourth  
3 percent of the sum of the local system's transportation allowance,  
4 the local system's special receipts allowance, and the product  
5 of the local system's adjusted formula students multiplied by  
6 the average formula cost per student in the local system's cost  
7 grouping and (b) for school fiscal year 2007-08, ~~and each school~~  
8 ~~fiscal year thereafter,~~ one and one-fourth percent of the sum  
9 of the local system's transportation allowance, special receipts  
10 allowance, and distance education and telecommunications allowance  
11 and the product of the local system's adjusted formula students  
12 multiplied by the average formula cost per student in the local  
13 system's cost grouping;

14                   (46) Transportation allowance means the lesser of (a)  
15 each local system's general fund expenditures for regular route  
16 transportation and in lieu of transportation expenditures pursuant  
17 to section 79-611 in the second school fiscal year immediately  
18 preceding the school fiscal year in which aid is to be paid,  
19 but not including special education transportation expenditures or  
20 other expenditures previously excluded from general fund operating  
21 expenditures, or (b) the number of miles traveled in the second  
22 school fiscal year immediately preceding the school fiscal year in  
23 which aid is to be paid by vehicles owned, leased, or contracted  
24 by the district or the districts in the local system for the  
25 purpose of regular route transportation multiplied by four hundred  
26 percent of the mileage rate established by the Department of  
27 Administrative Services pursuant to section 81-1176 as of January 1

1 of the most recently available complete data year added to in lieu  
2 of transportation expenditures pursuant to section 79-611 from the  
3 same data year;

4 (47) Tuition receipts from converted contracts means  
5 tuition receipts received by a district from another district  
6 in the most recently available complete data year pursuant to a  
7 converted contract prior to the expiration of the contract; and

8 (48) Tuitioned students means students in kindergarten  
9 through grade twelve of the district whose tuition is paid by the  
10 district to some other district or education agency.

11 Sec. 13. For purposes of this section and section  
12 79-1007.03, summer school student unit means one student enrolled  
13 in summer school in a school district, whether or not the student  
14 is in the membership of the school district, for (1) at least three  
15 hours but fewer than six hours per day and (2) at least twelve  
16 days but fewer than twenty-four days. Each school district shall  
17 receive a summer school student unit for each qualified time period  
18 for which a student is enrolled, up to six units per student per  
19 summer.

20 Each school district shall receive an additional summer  
21 school student unit for each summer school student unit attributed  
22 to remedial math or reading programs. Each school district shall  
23 also receive an additional summer school student unit for each  
24 summer school student unit attributed to a free lunch and free  
25 milk student. This section does not prevent school districts from  
26 requiring and collecting fees for summer school, except that summer  
27 school student units shall not be calculated for summer school

1 programs for which fees are collected from students who qualify  
2 for free or reduced-price lunches under United States Department of  
3 Agriculture child nutrition programs.

4 Sec. 14. Section 79-1007.02, Revised Statutes Cumulative  
5 Supplement, 2006, is amended to read:

6 79-1007.02 For state aid calculated for school fiscal  
7 year 1998-99 and each school fiscal year thereafter:

8 (1) Using data from the annual financial reports for the  
9 second school fiscal year immediately preceding the school fiscal  
10 year in which aid is to be paid, the annual statistical summary  
11 reports for the school fiscal year immediately preceding the school  
12 fiscal year in which aid is to be paid, the fall membership reports  
13 and supplements thereto for the school fiscal year immediately  
14 preceding the school fiscal year in which aid is to be paid,  
15 and the school district census as reported under sections 79-524  
16 and 79-578 for the second school fiscal year preceding the school  
17 fiscal year in which aid is to be paid, the department shall  
18 divide the local systems into three cost groupings prior to the  
19 certification of state aid based upon the following criteria:

20 (a) The very sparse cost grouping will consist of local  
21 systems that have (i) (A) less than one-half student per square  
22 mile in each county in which each high school attendance center  
23 is located, based on the school district census, (B) less than  
24 one formula student per square mile in the local system, and (C)  
25 more than fifteen miles between the high school attendance center  
26 and the next closest high school attendance center on paved roads  
27 or (ii) (A) more than four hundred fifty square miles in the local

1 system, (B) less than one-half student per square mile in the local  
2 system, and (C) more than fifteen miles between each high school  
3 attendance center and the next closest high school attendance  
4 center on paved roads;

5 (b) The sparse cost grouping will consist of local  
6 systems that do not qualify for the very sparse cost grouping but  
7 which meet the following criteria:

8 (i) (A) Less than two students per square mile in the  
9 county in which each high school is located, based on the school  
10 district census, (B) less than one formula student per square mile  
11 in the local system, and (C) more than ten miles between each  
12 high school attendance center and the next closest high school  
13 attendance center on paved roads;

14 (ii) (A) Less than one and one-half formula students per  
15 square mile in the local system and (B) more than fifteen miles  
16 between each high school attendance center and the next closest  
17 high school attendance center on paved roads;

18 (iii) (A) Less than one and one-half formula students per  
19 square mile in the local system and (B) more than two hundred  
20 seventy-five square miles in the local system; or

21 (iv) (A) Less than two formula students per square mile in  
22 the local system and (B) the local system includes an area equal  
23 to ninety-five percent or more of the square miles in the largest  
24 county in which a high school attendance center is located in the  
25 local system; and

26 (c) The standard cost grouping will consist of local  
27 systems that do not qualify for the very sparse or the sparse cost

1 groupings.

2           For purposes of subdivision (1) of this section, if a  
3 local system did not operate and offer instruction in grades nine  
4 through twelve within the boundaries of the local system during the  
5 school fiscal year immediately preceding the school fiscal year in  
6 which aid is to be paid, the local system shall not be considered  
7 to have a high school attendance center;

8           (2) (a) The department shall calculate the average formula  
9 cost per student in each cost grouping by dividing the total  
10 estimated general fund operating expenditures for the cost grouping  
11 by the difference between the total adjusted formula students for  
12 all local systems in the cost grouping minus (i) the adjusted  
13 formula students attributed to early childhood education programs  
14 approved by the department pursuant to section 79-1103 for the  
15 first two school fiscal years for which students attributed to  
16 early childhood education programs approved by the department  
17 pursuant to section 79-1103 are being included in the calculation  
18 of state aid for the local system and (ii) for the first two  
19 school fiscal years immediately following the school fiscal year in  
20 which a district in the local system received an expansion grant  
21 pursuant to section 79-1103, the difference between the adjusted  
22 formula students attributed to early childhood education programs  
23 approved by the department pursuant to section 79-1103 for the  
24 school fiscal year immediately following the school fiscal year in  
25 which a district in the local system received an expansion grant  
26 minus the adjusted formula students attributed to early childhood  
27 education programs approved by the department pursuant to section

1 79-1103 for the school fiscal year in which a district in the  
2 local system received an expansion grant. For the calculation of  
3 state aid for school fiscal year 1999-00 and for each school fiscal  
4 year thereafter, the average formula cost per student in each cost  
5 grouping shall not be recalculated for the final calculation of  
6 state aid pursuant to section 79-1065. The calculation of total  
7 adjusted formula students for purposes of this subdivision shall  
8 take into account the requirements of subdivision (2) of section  
9 79-1007.01. For school fiscal years prior to school fiscal year  
10 2008-09, the total estimated general fund operating expenditures  
11 for the cost grouping is equal to the total adjusted general fund  
12 operating expenditures for all local systems in the cost grouping  
13 multiplied by a cost growth factor. For school fiscal year 2008-09  
14 and each school fiscal year thereafter, the total estimated general  
15 fund operating expenditures for the cost grouping is equal to the  
16 total adjusted general fund operating expenditures for all local  
17 systems in the cost grouping.

18 (b) The For school fiscal years prior to school fiscal  
19 year 2008-09, the cost growth factor for each cost grouping  
20 is equal to the sum of: (i) One; plus (ii) the product of  
21 two times the ratio of the difference between the formula  
22 students attributable to the cost grouping without weighting or  
23 adjustment pursuant to section 79-1007.01 and the sum of the  
24 average daily membership plus tuitioned students attributable to  
25 the cost grouping for the most recently available complete data  
26 year divided by the sum of the average daily membership plus  
27 tuitioned students attributable to the cost grouping for the most

1 recently available complete data year, except that the ratio shall  
2 not be less than zero; plus (iii) the basic allowable growth  
3 rate pursuant to section 79-1025 for the school fiscal year in  
4 which the aid is to be distributed; plus (iv) the basic allowable  
5 growth rate pursuant to section 79-1025 for the school fiscal year  
6 immediately preceding the school fiscal year in which the aid is  
7 to be distributed; plus (v) one-half of any additional growth rate  
8 allowed by special action of school boards for the school fiscal  
9 year in which the aid is to be distributed as determined for the  
10 school fiscal year immediately preceding the school fiscal year  
11 when aid is to be distributed; plus (vi) one-half of any additional  
12 growth rate allowed by special action of the school boards for  
13 the school fiscal year immediately preceding the school fiscal year  
14 when the aid is to be distributed;

15 (3) For school fiscal years 2002-03 through 2006-07, each  
16 local system's formula need shall be calculated by subtracting  
17 the temporary aid adjustment factor from the sum of the local  
18 system's transportation allowance, the local system's special  
19 receipts allowance, and the product of the local system's adjusted  
20 formula students multiplied by the average formula cost per student  
21 in the local system's cost grouping. The calculation of total  
22 adjusted formula students for purposes of this subdivision shall  
23 take into account the requirements of subdivision (2) of section  
24 79-1007.01;

25 (4) For school fiscal year 2007-08, each local system's  
26 formula need shall be calculated by subtracting the temporary aid  
27 adjustment factor from the sum of the local system's transportation

1 allowance, special receipts allowance, and distance education and  
2 telecommunications allowance and the product of the local system's  
3 adjusted formula students multiplied by the average formula cost  
4 per student in the local system's cost grouping. The calculation  
5 of total adjusted formula students for purposes of this subdivision  
6 shall take into account the requirements of subdivision (2) of  
7 section 79-1007.01; and

8 (5) For school fiscal year 2008-09 and each school  
9 fiscal year thereafter, each school district's formula need  
10 shall equal the greater of (a) the difference of the sum of  
11 the school district's transportation allowance, elementary class  
12 size allowance, learning community allowance, focus school and  
13 program allowance, limited English proficiency allowance, poverty  
14 allowance, special receipts allowance, and distance education and  
15 telecommunications allowance, and student growth adjustment plus  
16 the product of the school district's adjusted formula students  
17 multiplied by the average formula cost per student in the school  
18 district's local system cost grouping minus the sum of the  
19 limited English proficiency allowance correction, poverty allowance  
20 correction, and student growth correction or (b) if the school  
21 district's general fund levy was at or above ~~ninety-nine cents per~~  
22 ~~one hundred dollars of valuation for the previous year,~~ ninety-five  
23 percent of the school district's maximum levy pursuant to section  
24 77-3442, the school district's prior year formula need multiplied  
25 by one hundred percent. The calculation of total adjusted formula  
26 students for purposes of this subdivision shall take into account  
27 the requirements of subdivision (2) of section 79-1007.03.



1           Sec. 15. Section 79-1007.03, Revised Statutes Cumulative  
2 Supplement, 2006, is amended to read:

3           79-1007.03 For state aid calculated for school fiscal  
4 year 2008-09 and each school fiscal year thereafter:

5           (1) The adjusted formula students for each school  
6 district shall be calculated by:

7           (a) Multiplying the formula students in each grade range  
8 by the corresponding weighting factors to calculate the weighted  
9 formula students for each grade range as follows:

10           (i) The weighting factor for early childhood education  
11 programs is six-tenths;

12           (ii) The weighting factor for kindergarten is  
13 five-tenths;

14           (iii) The weighting factor for grades one through six,  
15 including full-day kindergarten, is one;

16           (iv) The weighting factor for grades seven and eight is  
17 one and two-tenths; and

18           (v) The weighting factor for grades nine through twelve  
19 is one and four-tenths;

20           (b) Adding the weighted formula students for each grade  
21 range to calculate the weighted formula students for the local  
22 system; and

23           (c) Adjusting the weighted formula students by adding the  
24 following demographic factors:

25           (i) The Indian-land factor shall equal 0.25 times the  
26 average daily attendance of students who reside on Indian land  
27 as reported by the United States Department of Education in

1 calculating the local system's payment pursuant to 20 U.S.C. 7701  
2 et seq., as such sections existed on January 1, 2006; ~~and~~

3 (ii) The extreme remoteness factor shall equal 0.125  
4 times the formula students in the school district for each school  
5 district that has fewer than two hundred formula students, more  
6 than six hundred square miles in the school district, less than  
7 three-tenths formula student per square mile in the local system,  
8 and more than twenty-five miles between the high school attendance  
9 center and the next closest high school attendance center on paved  
10 roads; and

11 (iii) The summer school factor shall equal 0.025 times  
12 the number of summer school student units as defined in section 13  
13 of this act; and

14 (2) The total adjusted formula students for each  
15 school district shall equal the weighted formula students plus  
16 the demographic factors, except that (a) for school districts  
17 qualifying for the extreme remoteness factor, the total adjusted  
18 formula students shall be greater than or equal to one hundred  
19 fifty adjusted formula students, (b) the total adjusted formula  
20 students for a school district shall not include the summer  
21 school factor, the extreme remoteness factor, or any adjustment  
22 to the adjusted formula students resulting from qualification for  
23 the extreme remoteness factor for the calculation of the average  
24 formula cost per student in each cost grouping pursuant to section  
25 79-1007.02, and (c) the total adjusted formula students for a  
26 school district shall include the summer school factor, the extreme  
27 remoteness factor, and any adjustment to the adjusted formula

1 students resulting from qualification for the extreme remoteness  
2 factor for the calculation of the school district's formula need  
3 pursuant to section 79-1007.02.

4 Sec. 16. Section 79-1007.04, Revised Statutes Cumulative  
5 Supplement, 2006, is amended to read:

6 79-1007.04 For school fiscal year 2008-09 and each  
7 school fiscal year thereafter, the department shall determine  
8 the elementary class size allowance for each school district. The  
9 allowance shall equal the statewide average general fund operating  
10 expenditures per formula student multiplied by 0.20 then multiplied  
11 by the number of students in the school district in kindergarten  
12 through grade ~~five~~ eight who qualify for free or reduced-price  
13 lunches and who spend at least fifty percent of the school day in  
14 a classroom with a minimum of ten students and a maximum of twenty  
15 students as reported on the fall membership report from the school  
16 fiscal year immediately preceding the school fiscal year in which  
17 the aid is to be paid for state aid certified pursuant to section  
18 79-1022 and as reported on the annual ~~financial~~ statistical summary  
19 report from the school fiscal year immediately preceding the school  
20 fiscal year in which the aid was paid for the final calculation of  
21 state aid pursuant to section 79-1065.

22 Sec. 17. Section 79-1007.05, Revised Statutes Cumulative  
23 Supplement, 2006, is amended to read:

24 79-1007.05 For school fiscal year 2008-09 and each school  
25 fiscal year thereafter, the department shall determine the learning  
26 community allowance and the focus school and program allowance  
27 for each school district in a learning community. The learning

1 community allowance shall equal the statewide average general fund  
2 operating expenditures per formula student multiplied by 0.01 then  
3 multiplied by the school district's formula students. The focus  
4 school and program allowance shall equal the statewide average  
5 general fund operating expenditures per formula student multiplied  
6 by 0.10 then multiplied by the number of students participating  
7 in a focus school or program as reported on the fall membership  
8 report from the school fiscal year immediately preceding the school  
9 fiscal year in which the aid is to be paid for state aid certified  
10 pursuant to section 79-1022 and as reported on the annual financial  
11 statistical summary report from the school fiscal year immediately  
12 preceding the school fiscal year in which the aid was paid for the  
13 final calculation of state aid pursuant to section 79-1065.

14           Sec. 18. Section 79-1007.06, Revised Statutes Cumulative  
15 Supplement, 2006, is amended to read:

16           79-1007.06 (1) For school fiscal year 2008-09 and each  
17 school fiscal year thereafter, the department shall determine  
18 the poverty allowance for each school district that meets the  
19 requirements of this section and has not been disqualified pursuant  
20 to section 79-1007.07. The ~~Each~~ school district ~~may~~ shall designate  
21 a maximum poverty allowance on a form prescribed by the department  
22 on or before November 1 of the school fiscal year immediately  
23 preceding the school fiscal year for which aid is being calculated.  
24 ~~on a form prescribed by the department.~~ The school district may  
25 decline to participate in the poverty allowance by providing the  
26 department with a maximum poverty allowance of zero dollars on  
27 such form on or before November 1 of the school fiscal year

1 immediately preceding the school fiscal year for which aid is being  
2 calculated. Each school district designating a maximum poverty  
3 allowance greater than zero dollars shall submit a poverty plan  
4 pursuant to section 24 of this act. ~~on such form.~~

5 (2) The poverty allowance for each school district that  
6 has not been disqualified pursuant to section 79-1007.07 shall  
7 equal the lesser of:

8 (a) The maximum amount designated pursuant to subsection  
9 (1) of this section by the school district in the local system, if  
10 such school district designated a maximum amount, for the school  
11 fiscal year for which aid is being calculated; or

12 (b) Sixty-one percent of the sum of:

13 (i) The statewide average general fund operating  
14 expenditures per formula student multiplied by 0.05 then multiplied  
15 by the poverty students comprising more than five percent and  
16 not more than ten percent of the formula students in the school  
17 district; plus

18 (ii) The statewide average general fund operating  
19 expenditures per formula student multiplied by 0.10 then multiplied  
20 by the poverty students comprising more than ten percent and not  
21 more than fifteen percent of the formula students in the school  
22 district; plus

23 (iii) The statewide average general fund operating  
24 expenditures per formula student multiplied by 0.15 then multiplied  
25 by the poverty students comprising more than fifteen percent and  
26 not more than twenty percent of the formula students in the school  
27 district; plus

1           (iv) The statewide average general fund operating  
2 expenditures per formula student multiplied by 0.20 then multiplied  
3 by the poverty students comprising more than twenty percent and not  
4 more than twenty-five percent of the formula students in the school  
5 district; plus

6           (v) The statewide average general fund operating  
7 expenditures per formula student multiplied by 0.25 then multiplied  
8 by the poverty students comprising more than twenty-five percent  
9 and not more than thirty percent of the formula students in the  
10 school district; plus

11           (vi) The statewide average general fund operating  
12 expenditures per formula student multiplied by 0.30 then multiplied  
13 by the poverty students comprising more than thirty percent of the  
14 formula students in the school district.

15           Sec. 19. Section 79-1007.07, Revised Statutes Cumulative  
16 Supplement, 2006, is amended to read:

17           79-1007.07 (1)(a) For school fiscal year 2007-08, the  
18 annual financial report required pursuant to section 79-528 shall  
19 include:

20           (i) The amount of federal funds received based on poverty  
21 as defined by the federal program providing the funds; and

22           (ii) The expenditures and sources of funding for each  
23 program related to poverty with a narrative description of the  
24 program and the method used to allocate money to the program and  
25 within the program.

26           (b) The department shall set up accounting codes for the  
27 receipts and expenditures required to be reported on the annual

1 financial report pursuant to this subsection. The department shall  
2 also determine for each school district an amount that shall  
3 be deemed the poverty allowance for purposes of this section.  
4 Such amount shall equal the adjustments to the weighted formula  
5 students pursuant to subdivision (1)(c)(iii) of section 79-1007.01  
6 multiplied by the average formula cost per student in the school  
7 district's cost grouping.

8 (2)(a) For school fiscal year 2008-09 and each school  
9 fiscal year thereafter, the annual financial report required  
10 pursuant to section 79-528 shall include:

11 (i) The amount of the poverty allowance used in the  
12 certification of state aid pursuant to section 79-1022 for such  
13 school fiscal year;

14 (ii) The amount of federal funds received based on  
15 poverty as defined by the federal program providing the funds; and

16 (iii) The expenditures and sources of funding for each  
17 program related to poverty with a narrative description of the  
18 program, and the method used to allocate money to the program and  
19 within the program, and the program's relationship to the poverty  
20 plan submitted pursuant to section 24 of this act for such school  
21 fiscal year; and -

22 (iv) An explanation of how any required elements of the  
23 poverty plan for such school fiscal year were met.

24 (b) The department shall set up accounting codes for the  
25 receipts and expenditures required to be reported on the annual  
26 financial report pursuant to this subsection.

27 (3) For school fiscal year 2009-10 and each school

1 fiscal year thereafter, the department shall determine the poverty  
2 allowance expenditures using the reported expenditures on the  
3 annual financial report for the most recently available complete  
4 data year that would include in the poverty allowance expenditures  
5 only those expenditures that were used to specifically address  
6 issues related to the education of students living in poverty,  
7 that do not replace expenditures that would have occurred if the  
8 students involved in the program did not live in poverty, and that  
9 are not paid for with federal funds. The department shall establish  
10 a procedure to allow school districts to receive preapproval  
11 for categories of expenditures that could be included in poverty  
12 allowance expenditures.

13 (4) For school fiscal year 2009-10 and each school fiscal  
14 year thereafter, if the poverty allowance expenditures do not  
15 equal 117.65 percent or more of the poverty allowance for the  
16 most recently available complete data year, the department shall  
17 calculate a poverty allowance correction. The poverty allowance  
18 correction shall equal the poverty allowance minus eighty-five  
19 percent of the poverty allowance expenditures. If the poverty  
20 allowance expenditures do not equal fifty percent or more of the  
21 allowance for such school fiscal year, the school district shall  
22 also be disqualified from receiving a poverty allowance for the  
23 school fiscal year for which aid is being calculated.

24 (5) For school fiscal year 2010-11 and each school fiscal  
25 year thereafter, if the department determines that the school  
26 district did not meet the required elements of the poverty plan  
27 for the most recently available complete data year, the department



1 shall calculate a poverty allowance correction equal to fifty  
2 percent of the poverty allowance for such school fiscal year and  
3 the school district shall also be disqualified from receiving a  
4 poverty allowance for the school fiscal year for which aid is being  
5 calculated. Any poverty allowance correction calculated pursuant to  
6 this subsection shall be added to any poverty allowance correction  
7 calculated pursuant to subsection (4) of this section to arrive at  
8 the total poverty allowance correction.

9           ~~(5)~~ (6) The department may request additional information  
10 from any school district to assist with calculations and  
11 determinations pursuant to this section. If the school district  
12 does not provide information upon the request of the department  
13 pursuant to this section, the school district shall be disqualified  
14 from receiving a poverty allowance for the school fiscal year for  
15 which aid is being calculated.

16           ~~(6)~~ (7) The department shall annually provide the  
17 Legislature with a report containing a general description of the  
18 expenditures and funding sources for programs related to poverty  
19 statewide and specific descriptions of the expenditures and funding  
20 sources for programs related to poverty for each school district.

21           ~~(7)~~ (8) The state board shall establish a procedure for  
22 appeal of decisions of the department to the state board for a  
23 final determination.

24           Sec. 20. Section 79-1007.08, Revised Statutes Cumulative  
25 Supplement, 2006, is amended to read:

26           79-1007.08 (1) For school fiscal year 2008-09 and each  
27 school fiscal year thereafter, the department shall determine the

1 limited English proficiency allowance for each school district  
2 that meets the requirements of this section and has not been  
3 disqualified pursuant to section 79-1007.09. ~~The~~ Each school  
4 district ~~may~~ shall designate a maximum limited English proficiency  
5 allowance on or before November 1 of the school fiscal year  
6 immediately preceding the school fiscal year for which aid  
7 is being calculated. ~~on a form prescribed by the department.~~  
8 The school district may decline to participate in the limited  
9 English proficiency allowance by providing the department with a  
10 maximum limited English proficiency allowance of zero dollars on  
11 such form on or before November 1 of the school fiscal year  
12 immediately preceding the school fiscal year for which aid is being  
13 calculated. Each school district designating a maximum limited  
14 English proficiency allowance greater than zero dollars shall  
15 submit a poverty plan pursuant to section 25 of this act. ~~on such~~  
16 ~~form.~~

17 (2) The limited English proficiency allowance for each  
18 school district that has not been disqualified pursuant to section  
19 79-1007.09 shall equal the lesser of:

20 (a) The amount designated pursuant to subsection (1)  
21 of this section by the school district, if such school district  
22 designated a maximum amount, for the school fiscal year for which  
23 aid is being calculated; or

24 (b) The statewide average general fund operating  
25 expenditures per formula student multiplied by 0.25 then multiplied  
26 by:

27 (i) The number of students in the school district who are

1 limited English proficient as defined under 20 U.S.C. 7801, as such  
2 section existed on January 1, 2006, if such number is greater than  
3 or equal to twelve;

4 (ii) Twelve, if the number of students in the school  
5 district who are limited English proficient as defined under 20  
6 U.S.C. 7801, as such section existed on January 1, 2006, is greater  
7 than or equal to one and less than twelve; or

8 (iii) Zero, if the number of students in the school  
9 district who are limited English proficient as defined under 20  
10 U.S.C. 7801, as such section existed on January 1, 2006, is less  
11 than one.

12 Sec. 21. Section 79-1007.09, Revised Statutes Cumulative  
13 Supplement, 2006, is amended to read:

14 79-1007.09 (1)(a) For school fiscal year 2007-08, the  
15 annual financial report required pursuant to section 79-528 shall  
16 include:

17 (i) The amount of federal funds received based on  
18 students who are limited English proficient as defined by the  
19 federal program providing the funds; and

20 (ii) The expenditures and sources of funding for each  
21 program related to limited English proficiency with a narrative  
22 description of the program and the method used to allocate money to  
23 the program and within the program.

24 (b) The department shall set up accounting codes for the  
25 receipts and expenditures required to be reported on the annual  
26 financial report pursuant to this subsection. The department shall  
27 also determine for each school district an amount that shall

1 be deemed the limited English proficiency allowance for purposes  
2 of this section. Such amount shall equal the adjustments to the  
3 weighted formula students pursuant to subdivision (1)(c)(ii) of  
4 section 79-1007.01 multiplied by the average formula cost per  
5 student in the school district's cost grouping.

6 (2)(a) For school fiscal year 2008-09 and each school  
7 fiscal year thereafter, the annual financial report required  
8 pursuant to section 79-528 shall include:

9 (i) The amount of the limited English proficiency  
10 allowance used in the certification of state aid pursuant to  
11 section 79-1022 for such school fiscal year;

12 (ii) The amount of federal funds received based on  
13 students who are limited English proficient as defined by the  
14 federal program providing the funds; ~~and~~

15 (iii) The expenditures and sources of funding for each  
16 program related to limited English proficiency with a narrative  
17 description of the program, ~~and~~ the method used to allocate  
18 money to the program and within the program, and the program's  
19 relationship to the limited English proficiency plan submitted  
20 pursuant to section 25 of this act for such school fiscal year;  
21 and-

22 (iv) An explanation of how any required elements of the  
23 limited English proficiency plan for such school fiscal year were  
24 met.

25 (b) The department shall set up accounting codes for the  
26 receipts and expenditures required to be reported on the annual  
27 financial report pursuant to this subsection.

1                   (3) For school fiscal year 2009-10 and each school fiscal  
2 year thereafter, the department shall determine the limited English  
3 proficiency allowance expenditures using the reported expenditures  
4 on the annual financial report for the most recently available  
5 complete data year that would only include in the limited English  
6 proficiency allowance expenditures those expenditures that were  
7 used to specifically address issues related to the education of  
8 students with limited English proficiency, that do not replace  
9 expenditures that would have occurred if the students involved in  
10 the program did not have limited English proficiency, and that are  
11 not paid for with federal funds. The department shall establish  
12 a procedure to allow school districts to receive preapproval  
13 for categories of expenditures that could be included in limited  
14 English proficiency allowance expenditures.

15                   (4) For school fiscal year 2009-10 and each school fiscal  
16 year thereafter, if the limited English proficiency allowance  
17 expenditures do not equal 117.65 percent or more of the limited  
18 English proficiency allowance for the most recently available  
19 complete data year, the department shall calculate a limited  
20 English proficiency allowance correction. The limited English  
21 proficiency allowance correction shall equal the limited English  
22 proficiency allowance minus eighty-five percent of the limited  
23 English proficiency allowance expenditures. If the limited English  
24 proficiency allowance expenditures do not equal fifty percent or  
25 more of the allowance for such school fiscal year, the school  
26 district shall also be disqualified from receiving a limited  
27 English proficiency allowance for the school fiscal year for which

1 aid is being calculated.

2 (5) For school fiscal year 2010-11 and each school fiscal  
3 year thereafter, if the department determines that the school  
4 district did not meet the required elements of the limited English  
5 proficiency plan for the most recently available complete data  
6 year, the department shall calculate a limited English proficiency  
7 allowance correction equal to fifty percent of the limited English  
8 proficiency allowance for such school fiscal year and the school  
9 district shall also be disqualified from receiving a limited  
10 English proficiency allowance for the school fiscal year for which  
11 aid is being calculated. Any limited English proficiency allowance  
12 correction calculated pursuant to this subsection shall be added  
13 to any limited English proficiency allowance correction calculated  
14 pursuant to subsection (4) of this section to arrive at the total  
15 limited English proficiency allowance correction.

16 ~~(5)~~ (6) The department may request additional information  
17 from any school district to assist with calculations and  
18 determinations pursuant to this section. If the school district  
19 does not provide information upon the request of the department  
20 pursuant to this section, the school district shall be disqualified  
21 from receiving a limited English proficiency allowance for the  
22 school fiscal year for which aid is being calculated.

23 ~~(6)~~ (7) The department shall annually provide the  
24 Legislature with a report containing a general description of the  
25 expenditures and funding sources for programs related to limited  
26 English proficiency statewide and specific descriptions of the  
27 expenditures and funding sources for programs related to limited

1 English proficiency for each school district.

2 ~~(7)~~ (8) The state board shall establish a procedure for  
3 appeal of decisions of the department to the state board for a  
4 final determination.

5 Sec. 22. Section 79-1007.10, Revised Statutes Cumulative  
6 Supplement, 2006, is amended to read:

7 79-1007.10 For state aid calculated for school fiscal  
8 year 2008-09 and each school fiscal year thereafter, the cost  
9 growth factor ~~for each cost grouping~~ is equal to the sum of: (1)  
10 One; plus (2) ~~the product of two times the ratio of the difference~~  
11 ~~between the formula students attributable to the cost grouping~~  
12 ~~without weighting or adjustment pursuant to section 79-1007.03~~  
13 ~~and the sum of the average daily membership plus tuitioned~~  
14 ~~students attributable to the cost grouping for the most recently~~  
15 ~~available complete data year divided by the sum of the average~~  
16 ~~daily membership plus tuitioned students attributable to the cost~~  
17 ~~grouping for the most recently available complete data year,~~ except  
18 ~~that the ratio shall not be less than zero;~~ plus ~~(3)~~ the basic  
19 allowable growth rate pursuant to section 79-1025 for the school  
20 fiscal year in which the aid is to be distributed; plus ~~(4)~~ (3)  
21 the basic allowable growth rate pursuant to section 79-1025 for  
22 the school fiscal year immediately preceding the school fiscal  
23 year in which the aid is to be distributed; plus ~~(5)~~ (4) any  
24 additional growth rate allowed by special action of school boards  
25 for the school fiscal year in which the aid is to be distributed  
26 as determined for the school fiscal year immediately preceding the  
27 school fiscal year when aid is to be distributed; plus ~~(6)~~ (5)

1 any additional growth rate allowed by special action of the school  
2 boards for the school fiscal year immediately preceding the school  
3 fiscal year when the aid is to be distributed.

4           Sec. 23. (1) For school fiscal year 2008-09 and each  
5 school fiscal year thereafter, a qualifying district may apply  
6 for a student growth adjustment, on a form prescribed by the  
7 department, on or before October 1 of the school fiscal year  
8 immediately preceding the school fiscal year for which aid is  
9 being calculated. If the application meets the requirements of this  
10 section, the application shall be approved by the department and  
11 the department shall notify the district of the approval or denial  
12 of the student growth adjustment on or before November 1 of the  
13 year in which the application was submitted.

14           (2) The student growth adjustment for each qualifying  
15 district shall equal the statewide average general fund operating  
16 expenditures per formula student multiplied by the difference of  
17 the district's projected average daily membership for such school  
18 fiscal year minus the sum of the formula students used in the  
19 calculation of aid for such school fiscal year plus twenty-five.

20           (3) For school fiscal year 2010-11 and each school fiscal  
21 year thereafter, the department shall determine if any district in  
22 the most recently available complete data year had an average daily  
23 membership less than the projected average daily membership used to  
24 calculate a student growth adjustment. A student growth correction  
25 shall be calculated for the local system of such district equal  
26 to the statewide average general fund operating expenditures per  
27 formula student used in the final calculation of aid pursuant



1 to section 79-1065 for the most recently available complete data  
2 year multiplied by the difference of the projected average daily  
3 membership used to calculate the student growth adjustment used in  
4 the final calculation of aid pursuant to section 79-1065 for such  
5 data year minus the average daily membership for the school fiscal  
6 year for which aid was calculated.

7 (4) For purposes of this section, qualifying district  
8 means a district which:

9 (a) Projects an average daily membership for such school  
10 fiscal year that is greater than the sum of twenty-five students  
11 plus the formula students to be used in the calculation of aid for  
12 such school fiscal year; and

13 (b) Will not have a student growth correction applied for  
14 such school fiscal year.

15 Sec. 24. (1) On or before November 1 of each year,  
16 each school district shall submit a poverty plan for the next  
17 school fiscal year to the department and to the learning community  
18 coordinating council of any learning community of which the school  
19 district is a member. On or before the immediately following  
20 December 1, the department shall approve or disapprove such plan  
21 for school districts that are not members of a learning community  
22 based on the inclusion of the elements required pursuant to this  
23 section. On or before the immediately following December 1, the  
24 learning community coordinating council shall approve or disapprove  
25 such plan for school districts that are members of such learning  
26 community based on the inclusion of such elements. On or before  
27 the immediately following December 5, each learning community

1 coordinating council shall certify to the department the approval  
2 or disapproval of the poverty plan for each member school district.

3 (2) In order to be approved pursuant to this section,  
4 a poverty plan shall include an explanation of how the school  
5 district will address the following issues for such school fiscal  
6 year:

7 (a) Attendance, including absence followup and  
8 transportation for students qualifying for free or reduced-price  
9 lunches who reside more than one-half mile from the attendance  
10 center;

11 (b) Student mobility, including transportation to allow a  
12 student to continue attendance at the same school if the student  
13 moves to another attendance area within the same school district or  
14 within the same learning community;

15 (c) Parental involvement at the school-building level  
16 with a focus on the involvement of parents in poverty and from  
17 other diverse backgrounds;

18 (d) Parental involvement at the school-district level  
19 with a focus on the involvement of parents in poverty and from  
20 other diverse backgrounds;

21 (e) Class size reduction or maintenance of small class  
22 sizes for students who qualify for free or reduced-price lunches;

23 (f) Scheduled teaching time on a weekly basis that will  
24 be free from interruptions;

25 (g) Access to early childhood education programs for  
26 children in poverty;

27 (h) Student access to social workers;

1           (i) Access to summer school, extended-school-day  
2 programs, or extended-school-year programs;

3           (j) Mentoring for new and newly reassigned teachers;

4           (k) Professional development for teachers and  
5 administrators, focused on addressing the educational needs  
6 of students in poverty and students from other diverse backgrounds;

7           (l) Coordination with elementary learning centers if the  
8 school district is a member of a learning community; and

9           (m) An evaluation to determine the effectiveness of the  
10 elements of the poverty plan.

11           (3) The state board shall establish a procedure for  
12 appeal of decisions of the department and of learning community  
13 coordinating councils to the state board for a final determination.

14           Sec. 25. (1) On or before November 1 of each year, each  
15 school district shall submit a limited English proficiency plan  
16 for the next school fiscal year to the department. On or before  
17 the immediately following December 1, the department shall approve  
18 or disapprove such plans, based on the inclusion of the elements  
19 required pursuant to this section.

20           (2) In order to be approved pursuant to this section,  
21 a limited English proficiency plan must include an explanation of  
22 how the school district will address the following issues for such  
23 school fiscal year:

24           (a) Identification of students with limited English  
25 proficiency;

26           (b) Instructional approaches;

27           (c) Assessment of such students' progress toward

1 mastering the English language; and

2 (d) An evaluation to determine the effectiveness of the  
3 elements of the limited English proficiency plan.

4 (3) The state board shall establish a procedure for  
5 appeal of decisions of the department to the state board for a  
6 final determination.

7 Sec. 26. (1) For the first five complete school fiscal  
8 years for a learning community, the department shall calculate  
9 two preliminary state aid amounts pursuant to the Tax Equity and  
10 Educational Opportunities Support Act for school districts which  
11 are members of such learning community, with one amount based on  
12 separate local systems and the other amount based on the learning  
13 community as a whole. For the preliminary amount based on separate  
14 local systems, the department shall calculate the aid for each  
15 member school district as if the school district were its own  
16 local system. For the preliminary amount based on the learning  
17 community as a whole, formula need shall be calculated separately  
18 for each member school district then added together to calculate  
19 local system formula need, local system formula resources shall  
20 include the formula resources for all member school districts, and  
21 equalization aid shall be calculated based on the local system  
22 formula need and the local system formula resources. The local  
23 system aid based on such calculation shall be divided among  
24 the member school districts proportionally based on the formula  
25 need calculated for each member school district in the learning  
26 community to calculate the preliminary amount based on the learning  
27 community as a whole.

1           (2) For the first school fiscal year, for each school  
2 district that is a member of such learning community, the state  
3 aid certified and distributed to such district shall equal one  
4 hundred percent of the preliminary amount for such district based  
5 on separate local systems.

6           (3) For the second school fiscal year, for each school  
7 district that is a member of such learning community, the state  
8 aid certified and distributed to such district shall equal the  
9 sum of seventy-five percent of the preliminary amount for such  
10 district based on separate local systems plus twenty-five percent  
11 of the preliminary amount for such district based on the learning  
12 community as a whole.

13           (4) For the third school fiscal year, for each school  
14 district that is a member of such learning community, the state aid  
15 certified and distributed to such district shall equal the sum of  
16 fifty percent of the preliminary amount for such district based on  
17 separate local systems plus fifty percent of the preliminary amount  
18 for such district based on the learning community as a whole.

19           (5) For the fourth school fiscal year, for each school  
20 district that is a member of such learning community, the state  
21 aid certified and distributed to such district shall equal the  
22 sum of twenty-five percent of the preliminary amount for such  
23 district based on separate local systems plus seventy-five percent  
24 of the preliminary amount for such district based on the learning  
25 community as a whole.

26           (6) For the fifth school fiscal year, for each school  
27 district that is a member of such learning community, the state aid

1 certified and distributed to such district shall equal one hundred  
2 percent of the preliminary amount for such district based on the  
3 learning community as a whole.

4           Sec. 27. Section 79-1008.02, Revised Statutes Cumulative  
5 Supplement, 2006, is amended to read:

6           79-1008.02 A minimum levy adjustment shall be calculated  
7 and applied to any local system that has a general fund common  
8 ~~levy in the calendar year in~~ for the fiscal year during which  
9 aid is certified that is less than ~~ninety percent of~~ the maximum  
10 ~~levy, for such fiscal year,~~ allowed pursuant to subdivision (2)(a)  
11 or ~~(b)~~ (c) of section 77-3442 without a vote pursuant to section  
12 ~~77-3444 less twelve cents for learning communities and less ten~~  
13 ~~cents for all other local systems.~~ To calculate the minimum levy  
14 adjustment, the department shall subtract the local system general  
15 fund common levy ~~in the calendar year when aid is certified from~~  
16 ~~ninety percent of~~ for such fiscal year from the maximum levy  
17 allowed pursuant to subdivision (2)(a) or (b) of section 77-3442  
18 without a vote pursuant to section 77-3444 less twelve cents for  
19 learning communities and less ten cents for all other local systems  
20 and multiply the result by the local system's adjusted valuation  
21 divided by one hundred. The minimum levy adjustment shall be added  
22 to the formula resources of the local system for the determination  
23 of equalization aid pursuant to section 79-1008.01. If the minimum  
24 levy adjustment is greater than or equal to the allocated income  
25 tax funds calculated pursuant to section 79-1005.01 or 79-1005.02,  
26 the local system shall not receive allocated income tax funds. If  
27 the minimum levy adjustment is less than the allocated income tax

1 funds calculated pursuant to section 79-1005.01 or 79-1005.02, the  
2 local system shall receive allocated income tax funds in the amount  
3 of the difference between the allocated income tax funds calculated  
4 pursuant to section 79-1005.01 or 79-1005.02 and the minimum levy  
5 adjustment. This section does not apply to the calculation of aid  
6 for a local system containing a learning community for the first  
7 school fiscal year for which aid is calculated for such local  
8 system.

9           Sec. 28. Section 79-1022, Revised Statutes Cumulative  
10 Supplement, 2006, as affected by Referendum 2006, No. 422, is  
11 amended to read:

12           79-1022 (1) On or before ~~June 15, 2003, and on or~~  
13 ~~before~~ February 1 ~~for~~ of each year, ~~thereafter,~~ the department  
14 shall determine the amounts to be distributed to each local system  
15 and each district pursuant to the Tax Equity and Educational  
16 Opportunities Support Act and shall certify the amounts to  
17 the Director of Administrative Services, the Auditor of Public  
18 Accounts, each learning community, and each district. The amount  
19 to be distributed to each district that is not a member of a  
20 learning community from the amount certified for a local system  
21 shall be proportional based on the weighted formula students  
22 attributed to each district in the local system. ~~The~~ For the first  
23 five complete school fiscal years for a learning community, the  
24 amount to be distributed to each district that is a member of  
25 such learning community shall be determined pursuant to section  
26 26 of this act. For each school fiscal year thereafter, the  
27 amount to be distributed to each district that is a member of

1 a learning community from the amount certified for the local  
2 system shall be proportional based on the formula needs calculated  
3 for each district in the local system. On or before ~~June 15,~~  
4 ~~2003,~~ and ~~on or before~~ February 1 ~~for~~ of each year, ~~thereafter,~~  
5 the department shall report the necessary funding level to the  
6 Governor, the Appropriations Committee of the Legislature, and  
7 the Education Committee of the Legislature. Certified state aid  
8 amounts, including adjustments pursuant to section 79-1065.02,  
9 shall be shown as budgeted non-property-tax receipts and deducted  
10 prior to calculating the property tax request in the district's  
11 general fund budget statement as provided to the Auditor of Public  
12 Accounts pursuant to section 79-1024.

13 (2) Except as provided in subsection (8) of section  
14 79-1016 and sections 79-1033 and 79-1065.02, the amounts certified  
15 pursuant to subsection (1) of this section shall be distributed in  
16 ten as nearly as possible equal payments on the last business day  
17 of each month beginning in September of each ensuing school fiscal  
18 year and ending in June of the following year, except that when a  
19 school district is to receive a monthly payment of less than one  
20 thousand dollars, such payment shall be one lump-sum payment on  
21 the last business day of December during the ensuing school fiscal  
22 year.

23 Sec. 29. Section 79-1073, Revised Statutes Cumulative  
24 Supplement, 2006, is amended to read:

25 79-1073 On or before October 1 for each year, each  
26 learning community coordinating council shall determine the  
27 expected amounts to be distributed to each member school district



1 from general fund property tax receipts pursuant to subdivision  
2 (2) (b) of section 77-3442 and shall certify such amounts to each  
3 member school district and the State Department of Education.  
4 Such property tax receipts shall be divided among member school  
5 districts proportionally based on the difference of one hundred ~~ten~~  
6 percent of the school district's formula need calculated pursuant  
7 to section 79-1007.02 minus the sum of the state aid certified  
8 pursuant to section 79-1022 and the other actual receipts included  
9 in local system formula resources pursuant to section 79-1018.01  
10 for the school fiscal year for which the distribution is being  
11 made, except that no school district shall receive property tax  
12 receipts in excess of the lesser of such difference or the school  
13 district's property tax request submitted to the learning community  
14 coordinating council.

15 Each time a learning community coordinating council  
16 distributes property tax receipts to member school districts,  
17 the amount to be distributed to each district shall be proportional  
18 based on the total amounts to be distributed to each member school  
19 district for the school fiscal year.

20 Sec. 30. Section 79-1073.01, Revised Statutes Cumulative  
21 Supplement, 2006, is amended to read:

22 79-1073.01 Amounts levied by learning communities for  
23 special building funds for member school districts pursuant to  
24 subdivision ~~(2)(f)~~ (2)(g) of section 77-3442 shall be distributed  
25 to all member school districts proportionally based on the formula  
26 students used in the most recent certification of state aid  
27 pursuant to section 79-1022.

1 Any amounts distributed pursuant to this section shall be  
2 used by the member school districts for special building funds.

3 Sec. 31. Section 79-10,120, Revised Statutes Cumulative  
4 Supplement, 2006, is amended to read:

5 79-10,120 The school board or board of education of a  
6 Class II, III, IV, V, or VI school district may establish a  
7 special fund for purposes of acquiring sites for school buildings  
8 or teacherages, purchasing existing buildings for use as school  
9 buildings or teacherages, including the sites upon which such  
10 buildings are located, and the erection, alteration, equipping,  
11 and furnishing of school buildings or teacherages and additions  
12 to school buildings for elementary and high school grades and  
13 for no other purpose. For school districts that are not members  
14 of learning communities, the fund shall be established from the  
15 proceeds of an annual levy, to be determined by the board, of  
16 not to exceed fourteen cents on each one hundred dollars upon  
17 the taxable value of all taxable property in the district which  
18 shall be in addition to any other taxes authorized to be levied  
19 for school purposes. Such tax shall be levied and collected as  
20 are other taxes for school purposes. For school districts that are  
21 members of a learning community, such fund shall be established  
22 from the proceeds of the learning community special building funds  
23 levy directed to the school district for such purpose pursuant  
24 to subdivision ~~(2)(f)~~ (2)(g) of section 77-3442 and the proceeds  
25 of any school district special building fund levy pursuant to  
26 subdivision ~~(2)(b)~~ (2)(c) of section 77-3442.

27 Sec. 32. Section 79-10,126.01, Revised Statutes

1 Cumulative Supplement, 2006, is amended to read:

2           79-10,126.01 A Class V school district that is a  
3 member of a learning community shall establish (1) for the  
4 general operation of the schools, such fund as will result  
5 from distributions pursuant to section 79-1073 from the learning  
6 community levy and any annual levy of such rate of tax upon the  
7 taxable value of all the taxable property in such school district  
8 as the board of education determines to be necessary for such  
9 purpose and as authorized pursuant to subdivision ~~(2)(b)~~ (2)(c)  
10 of section 77-3442, (2) a fund resulting from distributions  
11 from the learning community levy for special building funds  
12 for the purpose of acquiring sites of school buildings and the  
13 erection, alteration, equipping, and furnishing of school buildings  
14 and additions to school buildings, a fund as will result from  
15 distributions from the learning community levy pursuant to section  
16 79-1073.01 and any annual levy of such rate of tax upon the taxable  
17 value of all the taxable property in such school district as the  
18 school board determines to be necessary for such purpose and as  
19 authorized pursuant to subdivision (2)(c) of section 77-3442, which  
20 fund shall be used for no other purposes, and (3) a further fund  
21 resulting from an annual amount of tax to be determined by the  
22 board of education to pay interest on and for retiring, funding, or  
23 servicing of bonded indebtedness of the district.

24           Sec. 33. Section 79-11,150, Revised Statutes Cumulative  
25 Supplement, 2006, is amended to read:

26           79-11,150 The Commissioner of Education shall appoint  
27 a ~~high-needs education~~ student achievement coordinator, subject

1 to confirmation by a majority vote of the members of the  
2 State Board of Education. The appointment shall be made on the  
3 basis of recognized and demonstrated ~~interest in~~ and ~~knowledge~~  
4 ~~of instructional effectiveness for~~ background and training in  
5 instructional methods to address the unique educational needs  
6 of students in poverty, limited English proficient students,  
7 and highly mobile students. The coordinator shall evaluate and  
8 coordinate existing resources for effective programs for students  
9 in poverty, limited English proficient students, and highly mobile  
10 students across the state. The coordinator shall also develop  
11 a plan to improve educational attainment for such students.  
12 In developing the plan, the coordinator may seek input from  
13 superintendents, principals, teachers, social workers, and other  
14 individuals with relevant expertise. The plan may include research  
15 efforts to be conducted by Nebraska postsecondary educational  
16 institutions. The plan shall be presented to the Education  
17 Committee of the Legislature on or before November 1, 2007-  
18 2008.

19           Sec. 34. Section 79-1204, Revised Statutes Cumulative  
20 Supplement, 2006, is amended to read:

21           79-1204 (1) The role and mission of the educational  
22 service units is to serve as educational service providers in the  
23 state's system of elementary and secondary education.

24           (2) Educational service units shall:

25           (a) Act primarily as service agencies in providing core  
26 services and services identified and requested by member school  
27 districts;

1           (b) Provide for economy, efficiency, and  
2 cost-effectiveness in the cooperative delivery of educational  
3 services;

4           (c) Provide educational services through leadership,  
5 research, and development in elementary and secondary education;

6           (d) Act in a cooperative and supportive role with the  
7 State Department of Education and school districts in development  
8 and implementation of long-range plans, strategies, and goals for  
9 the enhancement of educational opportunities in elementary and  
10 secondary education; and

11           (e) Serve, when appropriate and as funds become  
12 available, as a repository, clearinghouse, and administrator of  
13 federal, state, and private funds on behalf of school districts  
14 which choose to participate in special programs, projects, or  
15 grants in order to enhance the quality of education in Nebraska  
16 schools.

17           (3) Except as provided in section 79-1241, core services  
18 shall be provided by educational service units to all member school  
19 districts. Core services shall be defined by each educational  
20 service unit as follows:

21           (a) Core services shall be within the following service  
22 areas in order of priority: (i) Staff development which shall  
23 include access to staff development related to improving the  
24 achievement of students in poverty and students with diverse  
25 backgrounds; (ii) technology, including distance education  
26 services; and (iii) instructional materials services;

27           (b) Core services shall improve teaching and student

1 learning by focusing on enhancing school improvement efforts,  
2 meeting statewide requirements, and achieving statewide goals in  
3 the state's system of elementary and secondary education;

4 (c) Core services shall provide schools with access to  
5 services that:

6 (i) The educational service unit and its member school  
7 districts have identified as necessary services;

8 (ii) Are difficult, if not impossible, for most  
9 individual school districts to effectively and efficiently provide  
10 with their own personnel and financial resources;

11 (iii) Can be efficiently provided by each educational  
12 service unit to its member school districts; and

13 (iv) Can be adequately funded to ensure that the service  
14 is provided equitably to the state's public school districts;

15 (d) Core services shall be designed so that the  
16 effectiveness and efficiency of the service can be evaluated on a  
17 statewide basis; and

18 (e) Core services shall be provided by the educational  
19 service unit in a manner that minimizes the costs of administration  
20 or service delivery to member school districts.

21 (4) Educational service units shall meet minimum  
22 accreditation standards set by the State Board of Education that  
23 will:

24 (a) Provide for accountability to taxpayers;

25 (b) Assure that educational service units are assisting  
26 and cooperating with school districts to provide for equitable and  
27 adequate educational opportunities statewide; and

1           (c) Assure a level of quality in educational programs and  
2 services provided to school districts by the educational service  
3 units.

4           (5) Educational service units may contract to provide  
5 services to:

6           (a) Nonmember public school districts;

7           (b) Nonpublic school systems;

8           (c) Other educational service units; and

9           (d) Other political subdivisions, under the Interlocal  
10 Cooperation Act and the Joint Public Agency Act.

11           (6) Educational service units shall not regulate school  
12 districts unless specifically provided pursuant to another section  
13 of law.

14           Sec. 35. Section 79-2101, Revised Statutes Cumulative  
15 Supplement, 2006, is amended to read:

16           79-2101 Learning community means a political subdivision  
17 which shares the territory of member school districts and is  
18 governed by a learning community coordinating council. The fiscal  
19 year for a learning community shall be the same as for member  
20 school districts. ~~A learning community shall not have the authority  
21 to levy property taxes for the first fiscal year of its existence  
22 and shall not have the authority to levy property taxes prior to  
23 school fiscal year 2008-09.~~

24           Sec. 36. Section 79-2102, Revised Statutes Cumulative  
25 Supplement, 2006, is amended to read:

26           79-2102 (1) On or before ~~August 1, 2006,~~ September 15,  
27 2007, and on or before August 1 of each odd-numbered year following

1 the official designation of any new city of the metropolitan  
2 class or any valid request to form a new learning community,  
3 the Secretary of State shall certify the establishment of a  
4 new learning community with an effective date of ~~September 1~~ of  
5 ~~the year~~ of such certification to the county clerks, election  
6 commissioners, and county assessors of the counties with territory  
7 in the new learning community, to the Property Tax Administrator,  
8 to the State Department of Education, and to the school boards  
9 of the member school districts of the new learning community.  
10 A learning community shall be established for each city of the  
11 metropolitan class and shall include all school districts for which  
12 the principal office of the school district is located in the  
13 county where the city of the metropolitan class is located and  
14 all school districts for which the principal office of the school  
15 district is located in a county that has a contiguous border  
16 of at least five miles in the aggregate with such city of the  
17 metropolitan class. A learning community may also be established  
18 ~~for one or more counties~~ at the request of the school boards of  
19 at least three school boards if (a) all school districts for which  
20 the principal office of the school district is located in ~~the one~~  
21 or more specified county or counties if are participating in the  
22 request and either such school districts are all in the sparse or  
23 very sparse cost grouping as described in section 79-1007.02 or  
24 have a minimum combined total of at least two thousand students,  
25 ~~except that districts in local systems that are in the sparse cost~~  
26 ~~grouping or the very sparse cost grouping as described in section~~  
27 ~~79-1007.02 need not have a minimum combined total of at least two~~



1 thousand students but a learning community with fewer than two  
2 thousand students shall include at least two school districts, as  
3 reported on the most recent fall membership report of such school  
4 districts or (b) the school districts participating in the request  
5 have a minimum combined total of at least ten thousand students.

6 Such requests shall be received by the Secretary of State on or  
7 before ~~March 1~~ to be effective the following ~~September 1~~, May 1 of  
8 each odd-numbered year.

9           ~~(2) On or before September 1 following the certification~~  
10 ~~of the establishment of a new learning community, the school~~  
11 ~~board of each member school district shall appoint a member of~~  
12 ~~such school board to serve on the learning community coordinating~~  
13 ~~council and shall notify the Secretary of State of the appointment.~~

14 The Secretary of State

15           (2) The Commissioner of Education or his or her designee  
16 shall convene a meeting of the new newly elected council during  
17 the month of ~~September~~ and each month thereafter through the  
18 ~~following June.~~ At the September January following the election.

19 At such meeting, the council shall elect officers and shall  
20 begin taking the necessary steps to begin operating as a learning  
21 community. The Secretary of State commissioner or his or her  
22 designee shall schedule and host each such meeting and shall serve  
23 as a facilitator at each such meeting. The Secretary of State may  
24 ~~contract for facilitation services.~~ In any fiscal year that one  
25 or more new learning communities are established, the Secretary of  
26 State shall report to the Education Committee of the Legislature  
27 on or before December 31 and on or before June 30, regarding the

1 ~~progress of any new learning community coordinating councils.~~

2           Sec. 37. Section 79-2103, Revised Statutes Cumulative  
3 Supplement, 2006, is amended to read:

4           79-2103 The State Department of Education shall provide  
5 ~~transition aid~~ learning community funds to learning communities  
6 pursuant to this section. A learning community shall receive  
7 ~~transition aid for the second school fiscal year of the learning~~  
8 ~~community's existence for funding the general fund budget of the~~  
9 ~~learning community during the transition to property tax funding.~~

10 Each learning community established on September 1, 2006, shall  
11 also receive transition aid for the third school fiscal year of the  
12 ~~learning community's existence.~~ Transition aid Learning community  
13 funds shall be distributed to each qualified learning community on  
14 or before January 30 of the school fiscal year during which the  
15 learning community is established and on or before July 5 September  
16 15 of each school fiscal year thereafter in an amount equal to  
17 the product of the ratio of the amount appropriated for transition  
18 aid learning community funds divided by the sum of the number of  
19 qualified learning communities. formula students in all learning  
20 communities that will be established during such fiscal year plus  
21 two times the number of formula students in all other learning  
22 communities for the calculation of state aid for member school  
23 districts for such school fiscal year multiplied by the number  
24 of such formula students in the learning community for learning  
25 communities that will be established in such school fiscal year  
26 or two times the number of such formula students for all other  
27 learning communities.

1           Sec. 38. The Secretary of State, pursuant to  
2 certification of the establishment of a learning community pursuant  
3 to section 79-2102, shall divide the territory of the new  
4 learning community into six numbered districts for the purpose of  
5 electing members to the learning community coordinating council in  
6 compliance with section 32-553. Such districts shall be compact  
7 and contiguous and substantially equal in population. The newly  
8 established election districts shall be certified by the Secretary  
9 of State on or before October 1 for learning communities certified  
10 to be established pursuant to section 79-2102 in 2007 and on or  
11 before November 1 immediately following such certification for  
12 all other learning communities. The newly established election  
13 districts shall apply beginning with the nomination and election of  
14 the first council members for such learning community.

15           Sec. 39. Section 79-2104, Revised Statutes Cumulative  
16 Supplement, 2006, is amended to read:

17           79-2104 A learning community coordinating council shall  
18 have the authority to:

19           (1) Levy and distribute a common levy for the general  
20 funds of member school districts pursuant to sections 77-3442 and  
21 79-1073;

22           (2) Levy and distribute a common levy for the special  
23 building funds of member school districts pursuant to sections  
24 77-3442 and 79-1073.01;

25           (3) Levy ~~for the budget of the learning community and for~~  
26 capital projects approved by the learning community coordinating  
27 council pursuant to section 77-3442 and section 42 of this act;

1           (4) Collect, report, and report data and information; as  
2 ~~required;~~

3           (5) Coordinate ~~development of~~ and approve focus schools  
4 and programs ~~to provide educational opportunities to diversified~~  
5 ~~student populations,~~ and magnet pathway, including exploration of  
6 a campus that would include focus schools and programs operated  
7 by different member school districts, and administer the open  
8 enrollment provisions in section 79-2110 for the learning community  
9 as part of a diversity plan developed by the council to provide  
10 educational opportunities which will result in increased diversity  
11 in schools across the learning community;

12           ~~(6) Approve focus schools and programs to be operated by~~  
13 ~~member school districts;~~

14           ~~(7) Annually conduct a school fair to allow students and~~  
15 ~~parents to learn about each school in the learning community;~~

16           (6) Annually conduct school fairs to provide students and  
17 parents the opportunity to explore the educational opportunities  
18 available at each school in the learning community and develop  
19 other methods for encouraging access to such information and  
20 promotional materials;

21           ~~(8)~~ (7) Develop reorganization plans for submission  
22 pursuant to the Learning Community Reorganization Act; and

23           ~~(9) Upon recommendation of the integration task force~~  
24 ~~for the learning community, adopt and implement an integration and~~  
25 ~~diversity plan.~~

26           (8) Establish and administer elementary learning centers  
27 through achievement subcouncils pursuant to sections 44 to 46 of

1 this act;

2 (9) Administer the learning community funds distributed  
3 to the learning community pursuant to section 42 of this act;

4 (10) Approve or disapprove poverty plans for member  
5 school districts;

6 (11) Establish a procedure for receiving community input  
7 and complaints regarding the learning community;

8 (12) Establish a procedure to assist parents, citizens,  
9 and member school districts in accessing an approved center  
10 pursuant to the Dispute Resolution Act to resolve disputes  
11 involving member school districts or the learning community. Such  
12 procedure shall include payment by the learning community for such  
13 mediation services; and

14 (13) Assist the planning commissions with jurisdiction  
15 over territory within the learning community in developing and  
16 reviewing long-range plans for the deconcentration of affordable  
17 housing.

18 Sec. 40. Section 79-2107, Revised Statutes Cumulative  
19 Supplement, 2006, is amended to read:

20 79-2107 The boundaries of all school districts for which  
21 the principal office of the school district is located in a county  
22 where a city of the metropolitan class is located ~~on July 14,~~  
23 ~~2006,~~ and all school districts for which the principal office of  
24 the school district is located in a county that has a contiguous  
25 border of at least five miles in the aggregate with such city of  
26 the metropolitan class ~~on July 14, 2006,~~ shall remain as depicted  
27 ~~on March 1, 2006,~~ on the map kept by the county clerk pursuant to

1 section 79-490 as of March 1, 2006, for cities of the metropolitan  
2 class designated as such prior to January 2008 or as of March 1  
3 immediately preceding the designation as a city of the metropolitan  
4 class for cities designated as such on or after January 1, 2008,  
5 until a learning community has been ~~formed~~ established for such  
6 city of the metropolitan class.

7 Sec. 41. Section 79-2110, Revised Statutes Cumulative  
8 Supplement, 2006, is amended to read:

9 79-2110 (1) Each learning community coordinating council  
10 shall administer an open enrollment program pursuant to this  
11 section. For school year 2008-09 2009-10 and each school year  
12 thereafter, each member school district in a learning community  
13 shall establish a maximum capacity for each school building  
14 under such district's control pursuant to procedures and criteria  
15 established by the learning community coordinating council. Each  
16 member school district shall also establish attendance areas for  
17 each school building under the district's control, except that  
18 the school board shall not establish attendance areas for school  
19 buildings with focus schools or programs. The attendance areas  
20 shall be established such that all of the territory of the school  
21 district is within an attendance area for each grade, but no  
22 territory of the school district is within more than one attendance  
23 area for a grade. Students residing in an attendance area shall be  
24 allowed to attend such school building for the grades offered.

25 (2) On or before March 1, ~~2008,~~ and ~~March 1~~ of each  
26 year, ~~thereafter,~~ the school board of each member school district  
27 shall certify to the learning community coordinating council the

1 number of ~~students~~ applicants that will be accepted into each  
2 school building from outside of the school building's attendance  
3 area for the next school year based on the established capacity  
4 and the estimated number of students who will attend the school  
5 building from the attendance area or as continuing students. The  
6 learning community coordinating council shall establish procedures  
7 for estimating the number of students who will attend a school  
8 building from the attendance area or as continuing students. Such  
9 procedures shall be used by the school boards of member school  
10 districts for such estimates.

11 (3) (a) On or before ~~March 15, 2008,~~ and March 15 of each  
12 year, ~~thereafter,~~ a parent or guardian of a student residing in  
13 a member school district in a learning community may ~~apply~~ submit  
14 an application on behalf of a student who is applying to the  
15 learning community coordinating council to attend for the following  
16 school year a school building in the learning community that is  
17 not in an attendance area where the ~~student~~ applicant resides. On  
18 or before ~~April 1, 2008,~~ and April 1 of each year, ~~thereafter,~~  
19 the learning community coordinating council shall accept or reject  
20 such applications based on the number of such ~~students~~ the school  
21 district is willing to accept applicants that will be accepted  
22 for a given school building and shall notify ~~the applicant~~ such  
23 parent or guardian in writing of the acceptance or rejection.  
24 Such parent or guardian may provide information on the application  
25 regarding the applicant's potential qualification for free or  
26 reduced-price lunches. Any such information provided shall be  
27 subject to verification and shall only be used for the purposes of

1 this section. Nothing in this section requires a parent or guardian  
2 to provide such information. Determinations about an applicant's  
3 qualification for free or reduced-price lunches for purposes of  
4 this section shall be based on any verified information provided  
5 on the application. If no such information is provided the student  
6 shall be presumed not to qualify for free or reduced-price lunches  
7 for the purposes of this section. A student may not apply to attend  
8 a school building in the learning community for any grades that  
9 are offered by another school building for which the student had  
10 previously applied and been accepted pursuant to this section.

11           (b) If more students have applied to attend a school  
12 building, other than a focus school or program, than the number of  
13 such students the school district is willing to accept for such  
14 building, the learning community coordinating council shall select  
15 applications for approval up to the number of such students the  
16 school district is willing to accept for such building as follows:

17 (i) Students who qualify for free lunch shall be selected first,  
18 with applications for such students selected randomly up to the  
19 number of students the school district is willing to accept for  
20 such building; (ii) students who qualify for reduced-price lunch  
21 shall be selected randomly up to the remainder of the number of  
22 students the school district is willing to accept for such building  
23 if all of the applications for students who qualify for free lunch  
24 have been selected; and (iii) all other applications shall be  
25 selected randomly up to the remainder of the number of students  
26 the school district is willing to accept for such building if all  
27 of the applications for students who qualify for free lunch and



1 ~~reduced-price lunch have been selected.~~

2           ~~(e)~~ (b) If more ~~students~~ applicants have applied to  
3 attend a school, focus school, or focus program or program than  
4 the number of ~~such students the school district is willing to~~  
5 ~~accept for such focus school or program,~~ applicants that will be  
6 accepted, the learning community coordinating council shall select  
7 ~~applications~~ applicants for approval up to the number of ~~such~~  
8 ~~students the school district is willing to accept~~ applicants that  
9 will be accepted for such building school or program as follows:

10 (i) ~~Students~~ Applicants who qualify for free or reduced-price lunch  
11 shall be selected randomly up to the difference of the product of  
12 ~~the number of students the school district is willing to accept~~  
13 total capacity for such ~~focus~~ school or program multiplied by the  
14 ratio of students qualifying for free or reduced-price lunch in  
15 the learning community divided by the total formula students in  
16 the learning community minus the estimated number of students who  
17 qualify for free or reduced-price lunch who will be attending such  
18 school or program for such school year as continuing students or as  
19 students residing in the attendance area of such school or program;

20 (ii) ~~students qualifying for reduced-price lunch~~ shall be selected  
21 randomly up to the product of the number of students the school  
22 district is willing to accept for such focus school or program  
23 multiplied by the ratio of students qualifying for reduced-price  
24 lunch in the learning community divided by the total formula  
25 ~~students in the learning community;~~ ~~(iii)~~ ~~students~~ applicants who  
26 do not qualify for free or reduced-price lunch shall be selected  
27 randomly up to the difference of the product of the number of

1 ~~students the school district is willing to accept~~ total capacity  
2 for such school or program multiplied by the ratio of students  
3 not qualifying for free or reduced-price lunch in the learning  
4 community divided by the total formula students in the learning  
5 community minus the estimated number of students who do not qualify  
6 for free or reduced-price lunch who will be attending such school  
7 or program for such school year as continuing students or as  
8 students residing in the attendance area of such school or program;  
9 and ~~(iv) students~~ (iii) applicants who were not selected pursuant  
10 to subdivision (c) (i) ~~, (ii), or (iii)~~ or (ii) of this subsection  
11 shall be selected randomly up to the number of ~~students the school~~  
12 ~~district is willing to accept~~ applicants that will be accepted for  
13 such school or program minus the number of ~~students~~ applicants that  
14 were selected pursuant to subdivisions (c) (i) ~~, (ii), and (iii)~~ and  
15 (ii) of this subsection.

16 (d) Any student who attended a particular school building  
17 in the prior school year and who is seeking education in the  
18 grades offered in such school building shall be allowed to continue  
19 attending such school building as a continuing student.

20 (4) On or before February 15 of each year, a parent or  
21 guardian of a student who is currently attending a school building  
22 outside of the attendance area where the student resides and who  
23 will complete the grades offered at such school building prior to  
24 the following school year shall provide notice, on a form provided  
25 by the school district, to the school board of the school district  
26 containing such school building if such student will attend another  
27 school building within such district as a continuing student and

1 which school building such student would prefer to attend. On or  
2 before March 1, such school board shall provide a notice to such  
3 parent or guardian stating which school building or buildings the  
4 student ~~will~~ shall be allowed to attend in such school district as  
5 a continuing student for the following school year. If the student  
6 resides within the school district, the notice shall include the  
7 school building offering the grade the student will be entering  
8 for the following school year in the attendance area where the  
9 student resides. This subsection shall not apply to focus schools  
10 or programs.

11 (5) A student who will complete the grades offered at a  
12 focus school or program that is part of a magnet pathway shall be  
13 allowed to attend the focus school or program offering the next  
14 grade level as part of such magnet pathway as a continuing student.

15 ~~(5)~~ (6) A parent or guardian of a student who moves  
16 to a new residence in the learning community after April 1 may  
17 apply directly to a school board within the learning community  
18 within ninety days after moving for the student to attend a school  
19 building outside of the attendance area where the student resides.  
20 Such school board shall accept or reject such application within  
21 fifteen days after receiving the application, based on the ~~capacity~~  
22 established number of applicants that will be accepted pursuant  
23 to subsection (2) of this section minus the number of applicants  
24 previously accepted.

25 ~~(6)~~ (7) A parent or guardian of a student who wishes to  
26 change school buildings for emergency or hardship reasons may apply  
27 directly to a school board within the learning community at any

1 time for the student to attend a school building outside of the  
2 attendance area where the student resides. Such application shall  
3 state the emergency or hardship and shall be kept confidential by  
4 the school board. Such school board shall accept or reject such  
5 application within fifteen days after receiving the application.  
6 Applications shall only be accepted if an emergency or hardship  
7 was presented which justifies an exemption from the procedures  
8 in subsection (3) of this section based on the judgment of such  
9 school board, and such acceptance shall not exceed the number of  
10 applications that will be accepted for the school year pursuant to  
11 subsection (2) of this section for such building.  ~~based on the~~  
12 judgment of such school board,  ~~except that the board may not exceed~~  
13 the established capacity.

14 (8) For purposes of this section, a student is deemed to  
15 reside in any attendance area where such student or at least one of  
16 his or her parents or guardians reside.

17 Sec. 42. (1) A learning community may levy a maximum  
18 levy pursuant to subdivision (2)(h) of section 77-3442 for the  
19 purchase, construction, or remodeling of elementary learning center  
20 facilities and up to fifty percent of the estimated costs for  
21 capital projects approved pursuant to this section. The proceeds  
22 from such levy shall be used for elementary learning center  
23 facilities and for one-time reductions of the bonded indebtedness  
24 required for approved projects up to fifty percent of the estimated  
25 cost of the approved project. The funds used for reductions of  
26 bonded indebtedness shall be transferred to the school district  
27 for which the project was approved and shall be deposited in such

1 school district's special building fund for use on such project.

2 (2) The learning community may approve pursuant to this  
3 section for capital projects which will include the purchase,  
4 construction, or remodeling of facilities for (a) a focus school  
5 or program designed to meet the requirements of section 79-769 or  
6 (b) a school or program that will otherwise specifically attract  
7 a more economically and culturally diverse student body that  
8 would otherwise attend a school or program in a facility at that  
9 location. Such approval shall include an estimated cost for the  
10 project and shall state the amount that will be provided by the  
11 learning community for such project.

12 (3) If, within the ten years following receipt of the  
13 funding for a capital project pursuant to this section, a school  
14 district receiving such funding uses the facility purchased,  
15 constructed, or remodeled with such funding for purposes other  
16 than those stated to qualify for the funds, the school district  
17 shall repay such funds to the learning community with interest at  
18 the rate prescribed in section 45-104.02 accruing from the date  
19 the funds were transferred to the school district's building fund  
20 as of the last date the facility was used for such purpose as  
21 determined by the learning community coordinating council or the  
22 date that the learning community coordinating council determines  
23 that the facility will not be used for such purpose or that  
24 such facility will not be purchased, constructed, or remodeled  
25 for such purpose. Interest shall continue to accrue on outstanding  
26 balances until the repayment has been completed. The remaining  
27 terms of repayment shall be determined by the learning community

1 coordinating council. The learning community coordinating council  
2 may waive such repayment if the facility is used for a different  
3 (a) focus school or program or (b) school or program that will  
4 specifically attract a more economically and culturally diverse  
5 student body than would attend a school or program in a facility at  
6 that location for a period of time that will result in the use of  
7 the facility for qualifying purposes for a total of at least ten  
8 years.

9           Sec. 43. The planning commissions of cities, villages,  
10 and counties with jurisdiction over territory within any learning  
11 community shall work with the learning community coordinating  
12 council to develop a long-range plan for the deconcentration of  
13 affordable housing. Such plan shall be submitted to the affected  
14 jurisdictions on or before July 1 of the year immediately following  
15 the effective date of the establishment of the learning community.  
16 Such plans shall be reviewed by such planning commissions  
17 together with the learning community coordinating council on an  
18 ongoing basis, and a report shall be submitted to the affected  
19 jurisdictions on or before July 1 of each even-numbered year.

20           Sec. 44. (1) Elementary learning centers shall serve as  
21 visionary resource centers for enhancing the academic success  
22 of elementary students, particularly those students who face  
23 challenges in the educational environment due to factors such  
24 as poverty, limited English skills, and mobility. Each learning  
25 community coordinating council shall provide for a system of  
26 elementary learning centers to be administered by an elementary  
27 learning center executive director.

1           (2) The elementary learning center executive director  
2 shall be appointed by the learning community coordinating council.  
3 The executive director shall be a person well equipped to work  
4 with populations in poverty and to analyze effective methods for  
5 assisting and encouraging such populations to access the programs  
6 offered by elementary learning centers. The elementary learning  
7 center executive director shall serve for a term of six years,  
8 unless removed by a vote of two-thirds of the members of the  
9 learning community coordinating council upon their determination  
10 that he or she has become incapacitated or has been guilty of  
11 neglect of duty or misconduct. If the position of elementary  
12 learning center executive director becomes vacant for any cause, a  
13 temporary elementary learning center executive director may serve  
14 for up to one year until an elementary learning center executive  
15 director has been appointed for a full term. The elementary  
16 learning center executive director shall receive such salary as is  
17 set by the learning community coordinating council.

18           (3) The elementary learning center executive director may  
19 select, appoint, and compensate as he or she sees fit, within the  
20 amount provided by the learning community coordinating council,  
21 such assistants and employees as he or she deems necessary to  
22 discharge the responsibilities under sections 44 to 46 of this act.  
23 Such assistants and employees shall be subject to the control and  
24 supervision of the elementary learning center executive director.

25           Sec. 45. (1) On or before July 1 immediately following  
26 the establishment of a new learning community, the learning  
27 community coordinating council shall establish at least one

1 elementary learning center for each twenty-five elementary schools  
2 in which at least thirty-five percent of the students attending the  
3 school who reside in the attendance area of such school qualify  
4 for free or reduced-price lunches.

5 (2) Each achievement subcouncil shall submit a plan  
6 to the learning community council for any elementary learning  
7 centers in its election district and the services to be provided  
8 by such elementary learning center. In developing the plan, the  
9 achievement subcouncil shall seek input from community resources  
10 and collaborate with such resources in order to maximize the  
11 available opportunities and the participation of elementary  
12 students and their families. An achievement subcouncil may, as part  
13 of such plan, recommend services be provided through contracts  
14 with, or grants to, entities other than school districts to  
15 provide some or all of the services. Such entities may include  
16 collaborative groups which may include the participation of a  
17 school district. An achievement subcouncil may also, as part of  
18 such plan, recommend that the elementary learning center serve  
19 as a clearinghouse for recommending programs provided by school  
20 districts or other entities and that the elementary learning center  
21 assist students in accessing such programs.

22 (3) Each elementary learning center shall have at least  
23 one elementary learning center facility that is (a) not in a  
24 building owned by a school district and (b) located in an area with  
25 a high concentration of poverty within the region. Such facility  
26 may be owned or leased by the learning community, or the use of the  
27 facility may be donated to the learning community. Programs offered



1 by the elementary learning center may be offered in such facility  
2 or in other facilities located within the elementary learning  
3 center region.

4       Sec. 46. (1) Programs offered by an elementary learning  
5 center may be accessed by any student attending a public elementary  
6 school in the learning community or any family with a student  
7 attending a public elementary school in the learning community.

8 Such programs shall be designed to enhance the academic success of  
9 elementary students and may include, but are not limited to:

10       (a) Summer school, extended-school-day programs, and  
11 extended-school-year programs which may be coordinated with  
12 programs offered in the schools;

13       (b) Literacy centers for providing intensive assistance  
14 to elementary-age children and their parents to work on reading  
15 skills outside of the school day;

16       (c) Computer labs;

17       (d) Tutors for elementary students;

18       (e) Mentors for elementary students;

19       (f) Services for transient students;

20       (g) Attendance advocates to assist in resolving issues  
21 that contribute to truancy;

22       (h) Transportation for truant students;

23       (i) English classes for parents and other family members;

24       (j) Health services;

25       (k) Mental health services;

26       (l) Child care for children of parents working on their  
27 own literacy skills or working with their children on academic

1 skills at the center;

2 (m) Nutritional services for families working on skills  
3 at the center;

4 (n) Transportation for participating families;

5 (o) Distribution of clothing and school supplies;

6 (p) Information on other resources to assist  
7 participating families; and

8 (q) Interpreter services for educational needs.

9 (2) Each elementary learning center shall report the  
10 participation of elementary students in academic programs offered  
11 by or in collaboration with the center to the elementary school  
12 attended by such student.

13 Sec. 47. (1) Learning community funds distributed  
14 pursuant to section 79-2103 may be used by the learning community  
15 coordinating council receiving the funds for:

16 (a) The administration and operation of the learning  
17 community;

18 (b) The administration, operations, and programs of  
19 elementary learning centers pursuant to sections 44 to 46 of  
20 this act;

21 (c) Supplements for extended hours to teachers in  
22 elementary schools in which at least thirty-five percent of the  
23 students attending the school who reside in the attendance area of  
24 such school qualify for free or reduced-price lunches;

25 (d) Transportation for parents to school functions  
26 of students in elementary schools who qualify for free or  
27 reduced-price lunches; and

1           (e) Pilot projects related to enhancing the academic  
2 achievement of elementary students, particularly students who face  
3 challenges in the educational environment due to factors such as  
4 poverty, limited English skills, and mobility.

5           (2) Each learning community coordinating council shall  
6 adopt policies and procedures for granting supplements for extended  
7 hours and for providing transportation for parents if any such  
8 funds are to be used for such purposes. An example of a pilot  
9 project that could receive such funds would be a school designated  
10 as Jump Start Center focused on providing intensive literacy  
11 services for elementary students with low reading scores.

12           (3) A learning community coordinating council shall  
13 provide for financial audits and evaluations of effectiveness  
14 of elementary learning centers and pilot projects receiving funds  
15 pursuant to this section. Learning community coordinating councils  
16 shall serve as the recipient of private funds donated to support  
17 any elementary learning center or pilot project receiving funds  
18 pursuant to this section from such learning community coordinating  
19 council and shall assure that the use of such private funds is  
20 included in the financial audits required pursuant to this section.

21           Sec. 48. Terms and conditions of employment of school  
22 employees providing services for an elementary learning center  
23 shall be established by the negotiated agreement of the learning  
24 community employing such school employees to provide services. For  
25 certificated employees as defined in subdivision (1) of section  
26 79-824, the learning community shall be deemed to be an employer  
27 as defined in subdivision (4) of section 48-801. Compensation paid

1 to school employees for services provided to a learning community  
2 shall be subject to the School Employees Retirement Act unless  
3 such employee is employed by a Class V school district, in which  
4 case compensation paid such school employee shall be subject to the  
5 Class V School Employees Retirement Act.

6           Sec. 49. Each learning community shall be governed by  
7 a learning community coordinating council consisting of eighteen  
8 members elected on a nonpartisan ballot from six numbered election  
9 districts. Each voter shall be allowed to cast votes for up to  
10 two candidates to represent the election district in which the  
11 voter resides. The three candidates receiving the most votes shall  
12 be elected. A candidate shall reside in the election district for  
13 which he or she is a candidate.

14           The initial members shall be elected at the statewide  
15 general election immediately following the certification of the  
16 establishment of the learning community, and subsequent members  
17 shall be elected at subsequent statewide general elections. Except  
18 as provided in this section, such elections shall be conducted  
19 pursuant to the Election Act.

20           Vacancies in office shall occur as set forth in section  
21 32-560. Whenever any vacancy occurs on the council, the remaining  
22 members of such council shall appoint an individual residing  
23 within the geographical boundaries of the election district for the  
24 balance of the unexpired term.

25           Members elected to represent odd-numbered districts in  
26 the first election for the learning community coordinating council  
27 shall be elected for two-year terms. Members elected to represent

1 even-numbered districts in the first election for the learning  
2 community coordinating council shall be elected for four-year  
3 terms. Members elected in subsequent elections shall be elected  
4 for four-year terms and until their successors are elected and  
5 qualified.

6 Members of a learning community coordinating council  
7 shall take office on the first Thursday after the first Tuesday  
8 in January following their election. Each member shall be paid  
9 a per diem in an amount determined by such council up to two  
10 hundred dollars per day for official meetings of the council and  
11 the achievement subcouncils for which he or she is a member, up  
12 to a maximum of twelve thousand dollars per fiscal year and shall  
13 be eligible for reimbursement of reasonable expenses related to  
14 service on the learning community coordinating council as provided  
15 in sections 81-1174 to 81-1177.

16 Sec. 50. Each learning community coordinating council  
17 shall designate the three members from each election district  
18 as the achievement subcouncil for such election district. Each  
19 achievement subcouncil shall meet as necessary but shall meet and  
20 conduct a public hearing within its election district at least once  
21 each school year. Each achievement subcouncil shall:

22 (1) Develop a diversity plan recommendation for the  
23 territory in its election district that will provide educational  
24 opportunities which will result in increased diversity in schools  
25 in the election district;

26 (2) Administer elementary learning centers in cooperation  
27 with the elementary learning center executive director;

1           (3) Review and recommend approval or disapproval of the  
2 poverty plans for the schools located in its election district;

3           (4) Receive community input and complaints regarding  
4 the learning community and academic achievement in the election  
5 district; and

6           (5) Hold public hearings at its discretion in its  
7 election district in response to issues raised by residents of  
8 the election district regarding the learning community, a member  
9 school district, and academic achievement in the election district.

10           Sec. 51. Each learning community, together with its  
11 member school districts, shall develop a diversity plan to provide  
12 educational opportunities in each election district designed to  
13 attract students from diverse backgrounds, which plan may be  
14 revised from time to time. Each diversity plan for a learning  
15 community shall include specific provisions relating to each  
16 election district with such learning community. The specific  
17 provisions relating to each election district shall be approved  
18 by both the achievement subcouncil for such district and by  
19 the learning community coordinating council. The learning council  
20 shall report to the Education Committee of the Legislature on or  
21 before December 1 of each even-numbered year on diversity in the  
22 school or learning community and academic achievement for different  
23 demographic groups.

24           Sec. 52. If any section in this act or any part of any  
25 section is declared invalid or unconstitutional, the declaration  
26 shall not affect the validity or constitutionality of the remaining  
27 portions.

1                   Sec. 53. Original sections 32-567 and 32-606,  
2 Reissue Revised Statutes of Nebraska, sections 77-3442,  
3 79-4,117, 79-4,125, 79-4,126, 79-4,128, 79-528, 79-769, 79-1001,  
4 79-1007.02, 79-1007.03, 79-1007.04, 79-1007.05, 79-1007.06,  
5 79-1007.07, 79-1007.08, 79-1007.09, 79-1007.10, 79-1008.02,  
6 79-1073, 79-1073.01, 79-10,120, 79-10,126.01, 79-11,150, 79-1204,  
7 79-2101, 79-2102, 79-2103, 79-2104, 79-2107, and 79-2110, Revised  
8 Statutes Cumulative Supplement, 2006, and sections 79-611, 79-1003,  
9 and 79-1022, Revised Statutes Cumulative Supplement, 2006, as  
10 affected by Referendum 2006, No. 422, are repealed.

11                   Sec. 54. The following sections are outright repealed:  
12 Sections 79-4,130, 79-2105, 79-2106, 79-2108, and 79-2109, Revised  
13 Statutes Cumulative Supplement, 2006.