

AMENDMENTS TO LB 1153

(Amendments to Standing Committee amendments, AM2510)

Introduced by Adams, 24.

1 1. Insert the following new sections:

2 Sec. 2. Section 79-1104.01, Revised Statutes Cumulative
3 Supplement, 2006, is amended to read:

4 79-1104.01 (1) Within ninety days after July 14, 2006,
5 the State Department of Education shall request proposals from
6 private endowments with experience in managing public and private
7 funds for the benefit of children and families in multiple
8 locations in Nebraska to be the endowment provider for the Nebraska
9 Early Childhood Education Endowment upon the terms set forth in
10 this section.

11 (2) An endowment seeking to become the endowment provider
12 for the Nebraska Early Childhood Education Endowment shall agree
13 to:

14 (a) Irrevocably commit, subject to subdivision (4)(a) of
15 this section, no less than twenty million dollars in a private
16 endowment to be used solely as part of the Nebraska Early Childhood
17 Education Endowment within five years after the effective date of
18 the endowment agreement, of which no less than five million dollars
19 shall be pledged on the effective date of the endowment agreement.
20 A minimum of one million dollars shall be placed in the private
21 endowment prior to December 31, 2006, and a minimum of five million
22 dollars shall be placed in the private endowment prior to June 30,

1 2007;

2 (b) Commit all ~~interest, earnings, and proceeds~~ earnings
3 deposited from such private endowment for deposit into the Early
4 Childhood Education Endowment Cash Fund;

5 (c) Permit the board of trustees to determine the
6 allocation of funds from the Early Childhood Education Endowment
7 Cash Fund pursuant to section 79-1104.02; and

8 (d) Submit to the State Department of Education an
9 annual financial statement of the private endowment, audited by
10 an independent auditor and complying with all applicable Internal
11 Revenue Service requirements. The financial statement shall report
12 details on the private endowment, including the current value
13 of the corpus and the annual receipts to the private endowment
14 categorized by donations and interests, together with a report
15 listing the amount and purpose of expenditures from the private
16 endowment.

17 (3) Upon selection of an endowment provider, the State
18 Department of Education and such endowment provider shall enter
19 into an endowment agreement pursuant to which the state and the
20 endowment provider will agree to deposit funds as provided in
21 subsection (4) of this section.

22 (4) (a) Upon the effective date of an endowment agreement,
23 the state shall provide for the Early Childhood Education
24 Endowment Fund, which is hereby created, in accordance with section
25 79-1104.05. Any money in the fund available for investment shall be
26 invested by the state investment officer pursuant to the Nebraska
27 Capital Expansion Act and the Nebraska State Funds Investment Act.

1 The endowment agreement may provide that the obligations of the
2 endowment provider will terminate if the funds allocated to the
3 Early Childhood Education Endowment Fund pursuant to subsection
4 (11) of section 84-612 terminate as set forth in such section and
5 are not replaced by a minimum of forty million dollars from another
6 source on and after July 1, 2007.

7 (b) All interest, earnings, and proceeds from the Early
8 Childhood Education Endowment Fund shall be deposited in the Early
9 Childhood Education Endowment Cash Fund, which is hereby created.
10 Any money in the fund available for investment shall be invested
11 by the state investment officer pursuant to the Nebraska Capital
12 Expansion Act and the Nebraska State Funds Investment Act. All
13 interest, earnings, and proceeds from the Early Childhood Education
14 Endowment Cash Fund shall be retained in such fund.

15 (c) Upon the effective date of an endowment agreement,
16 the endowment provider shall deposit the amounts set forth in the
17 endowment agreement into a private endowment for the sole benefit
18 of the Early Childhood Education Endowment Fund. Money in the
19 private endowment shall be managed by the endowment provider in
20 accordance with sound, professional, fiduciary practices and in
21 accordance with the endowment agreement.

22 (d) ~~All interest, earnings, and proceeds~~ Earnings
23 deposited from the private endowment shall be deposited into
24 the Early Childhood Education Endowment Cash Fund ~~no less than~~
25 quarterly. at least annually or as the endowment agreement
26 provides.

27 Sec. 3. Section 79-1104.02, Revised Statutes Cumulative

1 Supplement, 2006, is amended to read:

2 79-1104.02 (1) The Early Childhood Education Endowment
3 Cash Fund, consisting of the interest, earnings, and proceeds from
4 the Early Childhood Education Endowment Fund and the ~~interest,~~
5 ~~earnings,~~ and ~~proceeds~~ from the private endowment created by the
6 endowment provider, and any additional private donations made
7 directly thereto, shall be used exclusively to provide funds for
8 the Early Childhood Education Grant Program for at-risk children
9 from birth to age three as set forth in this section.

10 (2) Grants provided by this section shall be to school
11 districts, and cooperatives of school districts, ~~and educational~~
12 ~~service units~~ for early childhood education programs for at-risk
13 children from birth to age three, as determined by the board
14 of trustees pursuant to criteria set forth by the board of
15 trustees. School districts, and cooperatives of school districts,
16 ~~and educational service units~~ may establish agreements with other
17 public and private entities to provide services or operate
18 programs.

19 (3) Each program selected for a grant pursuant to this
20 section may be provided a grant for up to one-half of the total
21 budget of such program per year. Programs selected for grant awards
22 may receive continuation grants subject to the availability of
23 funding and the submission of a continuation plan which meets the
24 requirements of the board of trustees.

25 (4) Programs shall be funded across the state and in
26 urban and rural areas to the fullest extent possible.

27 (5) Each program selected for a grant pursuant to this

1 section shall meet the requirements described in subsection (2)
2 of section 79-1103, except that the periodic evaluations of the
3 program are to be specified by the board of trustees and the
4 programs need not include continuity with programs in kindergarten
5 and elementary grades and need not include instructional hours
6 that are similar to or less than the instructional hours for
7 kindergarten.

8 (6) Up to ~~five~~ ten percent of the total amount deposited
9 in the Early Childhood Education Endowment Cash Fund each fiscal
10 year may be reserved by the board of trustees for evaluation
11 and technical assistance for the Early Childhood Education Grant
12 Program with respect to programs for at-risk children from birth to
13 age three.

14 Sec. 4. Section 79-1104.04, Revised Statutes Supplement,
15 2007, is amended to read:

16 79-1104.04 (1) The board of trustees shall include the
17 following six members:

18 (a) The Commissioner of Education or his or her designee;

19 (b) The chief executive officer of the Department of
20 Health and Human Services or his or her designee; and

21 (c) The following persons appointed by the Governor, in
22 his or her discretion:

23 (i) Two persons nominated by the endowment provider;

24 (ii) An early childhood professional representing an
25 urban at-risk area appointed pursuant to subsection (5) of this
26 section; and

27 (iii) An early childhood professional representing a

1 rural at-risk county appointed pursuant to subsection (6) of this
2 section.

3 (2) The terms of office for members initially appointed
4 under subsection (1) of this section shall be three years. Upon
5 completion of the initial terms of such members, the Governor shall
6 appoint the two members under subdivision (1)(c)(i) of this section
7 for terms of one and two years, the member under subdivision
8 (1)(c)(ii) of this section for a term of three years, and the
9 member under subdivision (1)(c)(iii) of this section for a term of
10 two years. Succeeding appointees shall be appointed for terms of
11 three years. An appointee to a vacancy occurring from an unexpired
12 term shall serve out the term of his or her predecessor. Members
13 whose terms have expired shall continue to serve until their
14 successors have been appointed and qualified.

15 (3) The board of trustees shall by majority vote annually
16 elect a chairperson from among the members of the board of
17 trustees.

18 (4) The members of the board of trustees shall be
19 reimbursed for their actual and necessary expenses incurred while
20 engaged in the performance of their official duties as provided in
21 sections 81-1174 to 81-1177.

22 (5) The Governor shall, in his or her discretion,
23 appoint one member to the board of trustees who resides or
24 works in identify an at-risk urban area consisting of not less
25 than ten contiguous census tracts, as determined by the United
26 States Bureau of the Census for the 2000 United States Census,
27 within a city of the metropolitan class, which each contain a

1 percentage of families below the poverty line of greater than
2 twenty percent, as reported by the United States Bureau of the
3 Census for the 2000 United States Census. ~~The Governor shall~~
4 ~~request that a committee,~~ consisting of (a) ~~the member of the~~
5 ~~Legislature representing the district containing the preponderance~~
6 ~~of geographic area of such at-risk area,~~ (b) ~~the member of the~~
7 ~~board of county commissioners representing the district containing~~
8 ~~the preponderance of geographic area of such at-risk area,~~ and (c)
9 ~~the member of the city council representing the district containing~~
10 ~~the preponderance of geographic area of such at-risk area,~~ develop
11 ~~a list of not less than two and not more than four nominees for~~
12 ~~appointment to the board of trustees. Upon receipt of a list of~~
13 ~~nominees signed by at least two members of the committee,~~ the
14 ~~Governor shall,~~ in his or her discretion, ~~appoint a member to the~~
15 ~~board of trustees from such list of nominees.~~

16 (6) The Governor shall, in his or her discretion, appoint
17 one member to the board of trustees who resides or works in a
18 county which does not contain a city of the metropolitan class or
19 a city of the primary class and which contains a percentage of
20 families below the poverty line of greater than eight and one-half
21 percent, as reported by the United States Bureau of the Census for
22 the 2000 United States Census.

23 Sec. 5. Original sections 79-1104.01 and 79-1104.02,
24 Revised Statutes Cumulative Supplement, 2006, and section
25 79-1104.04, Revised Statutes Supplement, 2007, are repealed.