

LEGISLATURE OF NEBRASKA

ONE HUNDRED SECOND LEGISLATURE

SECOND SESSION

LEGISLATIVE BILL 1020

Introduced by Nordquist, 7; Ashford, 20; Campbell, 25; Council, 11;
Howard, 9; Mello, 5.

Read first time January 17, 2012

Committee: Education

A BILL

1 FOR AN ACT relating to public health and welfare; to amend section
2 9-836.01, Revised Statutes Cumulative Supplement, 2010,
3 and section 9-812, Revised Statutes Supplement, 2011; to
4 adopt the Nebraska Coordinated School Health Act; to
5 change allocation provisions relating to the Education
6 Innovation Fund; to harmonize provisions; to repeal the
7 original sections; and to declare an emergency.
8 Be it enacted by the people of the State of Nebraska,

1 Section 1. This act shall be known and may be cited as
2 the Nebraska Coordinated School Health Act.

3 Sec. 2. (1) The Nebraska Coordinated School Health Fund
4 is created. The fund shall be under the control of and administered
5 by the State Department of Education. The fund shall be used for
6 administration of and grants pursuant to the Coordinated School
7 Health Program under section 3 of this act. The fund shall consist of
8 transfers authorized by the Legislature and any additional public or
9 private funds. Any money in the fund available for investment shall
10 be invested by the state investment officer pursuant to the Nebraska
11 Capital Expansion Act and the Nebraska State Funds Investment Act.
12 Interest earned shall be credited back to the Nebraska Coordinated
13 School Health Fund.

14 (2) On July 1, 2012, and on July 1 of each subsequent
15 fiscal year, or the first working day thereafter, the State Treasurer
16 shall transfer two hundred thousand dollars from the Education
17 Innovation Fund to the Nebraska Coordinated School Health Fund. All
18 unspent money in the fund at the end of the fiscal year shall remain
19 in the fund and be available for grants awarded in subsequent fiscal
20 years.

21 Sec. 3. (1) The State Department of Education shall award
22 grants under the Coordinated School Health Program from the Nebraska
23 Coordinated School Health Fund as provided in this section to any
24 school district that applies for the grant and:

25 (a) Is seeking funding to support the establishment of a

1 school-based health center as defined in section 68-907;

2 (b) Is able to demonstrate a relationship with a
3 sponsoring facility as defined in such section; and

4 (c) Is able to demonstrate long-term financial
5 sustainability of the school-based health center.

6 (2) The department shall award grants up to the amount
7 credited to the fund as follows:

8 (a) Not less than ninety percent of the money in the fund
9 shall be awarded as grants to school districts in a manner to be
10 determined by the department, with preference given to school
11 districts that meet either of the following criteria:

12 (i) Location in an area that has been designated as a
13 health profession shortage area pursuant to section 71-5665 or
14 federal law or as a medically underserved area or population pursuant
15 to Nebraska or federal law; or

16 (ii) The majority of the district's students are eligible
17 for free or reduced-price lunches; and

18 (b) Up to ten percent of the fund may be used by the
19 department to administer the Coordinated School Health Program.

20 (3) To be eligible to receive a grant under the program,
21 a school district shall provide fifty percent matching funds for the
22 establishment of the school-based health center. The funds may be
23 obtained from any source available to the school district, including
24 in-kind contributions, community or foundation grants, individual
25 contributions, and local governmental agency operating funds.

1 (4) Funds from a grant received under the program may
2 only be used for capital construction and startup costs for school-
3 based health centers and may not be used for ongoing operations,
4 administration, or service delivery costs.

5 (5) A school district is not eligible to receive a grant
6 under the program more than once for the same school-based health
7 center. A district may apply for and receive a grant for multiple
8 school-based health centers within the same district but may receive
9 only one such grant in any fiscal year.

10 Sec. 4. (1) The State Department of Education shall
11 establish an application process for grants under the Nebraska
12 Coordinated School Health Act and shall provide the following
13 information to potential applicants:

14 (a) Application procedures and deadlines;

15 (b) Required information;

16 (c) Criteria for selection and evaluation of
17 applications;

18 (d) Criteria for determining the amount and duration of
19 the grants;

20 (e) Reporting requirements for grant recipients; and

21 (f) Any other information the department deems necessary.

22 (2) Grant recipients shall submit a report to the
23 department upon completion of the project for which the grant is
24 awarded, summarizing the use of the grant money according to the
25 requirements established by the department under subdivision (1)(e)

1 of this section.

2 Sec. 5. If within the five years following receipt of a
3 grant for a school-based health center project pursuant to the
4 Nebraska Coordinated School Health Act a school district receiving
5 such grant uses the facility purchased, constructed, or remodeled
6 with grant funds for purposes other than those stated to qualify for
7 the grant, the school district shall repay the grant to the Nebraska
8 Coordinated School Health Fund with interest at the rate prescribed
9 in section 45-104.02 accruing from the last date the facility was
10 used as a school-based health center as determined by the State
11 Department of Education or the date that the department determines
12 that the facility will not be used as a school-based health center or
13 that such facility will not be purchased, constructed, or remodeled
14 for such purpose. Interest shall continue to accrue on outstanding
15 balances until the repayment has been completed. The remaining terms
16 of repayment shall be determined by the department.

17 Sec. 6. The State Department of Education may adopt and
18 promulgate rules and regulations to carry out the Nebraska
19 Coordinated School Health Act.

20 Sec. 7. Section 9-812, Revised Statutes Supplement, 2011,
21 is amended to read:

22 9-812 (1) All money received from the operation of
23 lottery games conducted pursuant to the State Lottery Act in Nebraska
24 shall be credited to the State Lottery Operation Trust Fund, which
25 fund is hereby created. All payments of the costs of establishing and

1 maintaining the lottery games shall be made from the State Lottery
2 Operation Cash Fund. In accordance with legislative appropriations,
3 money for payments for expenses of the division shall be transferred
4 from the State Lottery Operation Trust Fund to the State Lottery
5 Operation Cash Fund, which fund is hereby created. All money
6 necessary for the payment of lottery prizes shall be transferred from
7 the State Lottery Operation Trust Fund to the State Lottery Prize
8 Trust Fund, which fund is hereby created. The amount used for the
9 payment of lottery prizes shall not be less than forty percent of the
10 dollar amount of the lottery tickets which have been sold.

11 (2) Beginning October 1, 2003, a portion of the dollar
12 amount of the lottery tickets which have been sold on an annualized
13 basis shall be transferred from the State Lottery Operation Trust
14 Fund to the Education Innovation Fund, the Nebraska Opportunity Grant
15 Fund, the Nebraska Environmental Trust Fund, the Nebraska State Fair
16 Board, and the Compulsive Gamblers Assistance Fund. The dollar amount
17 transferred pursuant to this subsection shall equal the greater of
18 (a) the dollar amount transferred to the funds in fiscal year 2002-03
19 or (b) any amount which constitutes at least twenty-two percent and
20 no more than twenty-five percent of the dollar amount of the lottery
21 tickets which have been sold on an annualized basis. To the extent
22 that funds are available, the Tax Commissioner and director may
23 authorize a transfer exceeding twenty-five percent of the dollar
24 amount of the lottery tickets sold on an annualized basis.

25 (3) Of the money available to be transferred to the

1 Education Innovation Fund, the Nebraska Opportunity Grant Fund, the
2 Nebraska Environmental Trust Fund, the Nebraska State Fair Board, and
3 the Compulsive Gamblers Assistance Fund:

4 (a) The first five hundred thousand dollars shall be
5 transferred to the Compulsive Gamblers Assistance Fund to be used as
6 provided in section 71-817;

7 (b) Nineteen and three-fourths percent of the money
8 remaining after the payment of prizes and operating expenses and the
9 initial transfer to the Compulsive Gamblers Assistance Fund shall be
10 transferred to the Education Innovation Fund;

11 (c) Twenty-four and three-fourths percent of the money
12 remaining after the payment of prizes and operating expenses and the
13 initial transfer to the Compulsive Gamblers Assistance Fund shall be
14 transferred to the Nebraska Opportunity Grant Fund;

15 (d) Forty-four and one-half percent of the money
16 remaining after the payment of prizes and operating expenses and the
17 initial transfer to the Compulsive Gamblers Assistance Fund shall be
18 transferred to the Nebraska Environmental Trust Fund to be used as
19 provided in the Nebraska Environmental Trust Act;

20 (e) Ten percent of the money remaining after the payment
21 of prizes and operating expenses and the initial transfer to the
22 Compulsive Gamblers Assistance Fund shall be transferred to the
23 Nebraska State Fair Board if the most populous city within the county
24 in which the fair is located provides matching funds equivalent to
25 ten percent of the funds available for transfer. Such matching funds

1 may be obtained from the city and any other private or public entity,
2 except that no portion of such matching funds shall be provided by
3 the state. If the Nebraska State Fair ceases operations, ten percent
4 of the money remaining after the payment of prizes and operating
5 expenses and the initial transfer to the Compulsive Gamblers
6 Assistance Fund shall be transferred to the General Fund; and

7 (f) One percent of the money remaining after the payment
8 of prizes and operating expenses and the initial transfer to the
9 Compulsive Gamblers Assistance Fund shall be transferred to the
10 Compulsive Gamblers Assistance Fund to be used as provided in section
11 71-817.

12 (4)(a) The Education Innovation Fund is created. At least
13 seventy-five percent of the lottery proceeds allocated to the
14 Education Innovation Fund shall be available for disbursement.

15 (b) For fiscal year 2010-11, the Education Innovation
16 Fund shall be allocated as follows: The first one million dollars
17 shall be transferred to the Excellence in Teaching Cash Fund to fund
18 the Excellence in Teaching Act, and the amount remaining in the
19 Education Innovation Fund shall be allocated, after administrative
20 expenses, for distance education equipment and incentives pursuant to
21 sections 79-1336 and 79-1337.

22 (c) For fiscal year 2011-12, the Education Innovation
23 Fund shall be allocated as follows: (i) The first two hundred twenty-
24 five thousand dollars shall be transferred to the Excellence in
25 Teaching Cash Fund to fund the Attracting Excellence to Teaching

1 Program; (ii) the next three million three hundred sixty-five
2 thousand nine hundred sixty-two dollars shall be distributed to
3 school districts as grants pursuant to the Early Childhood Education
4 Grant Program; (iii) the next two million one hundred seventy-five
5 thousand six hundred seventy-three dollars shall be distributed to
6 local systems as grants for approved accelerated or differentiated
7 curriculum programs for students identified as learners with high
8 ability pursuant to section 79-1108.02; (iv) the next four hundred
9 ninety-one thousand five hundred forty-one dollars shall be used by
10 the State Department of Education for the development of an
11 integrated early childhood, elementary, secondary, and postsecondary
12 student information system; (v) the next four hundred fifty thousand
13 dollars shall fund the Center for Student Leadership and Extended
14 Learning Act; (vi) the next one hundred fourteen thousand six hundred
15 twenty-nine dollars shall fund the multicultural education program
16 created under section 79-720; (vii) the next one hundred twenty-three
17 thousand four hundred sixty-eight dollars shall be used by the
18 department to employ persons to investigate and prosecute alleged
19 violations as provided in section 79-868; (viii) up to the next one
20 hundred sixty thousand dollars shall be used by the department to
21 implement section 79-759; and (ix) the amount remaining shall be
22 allocated, after administrative expenses, for distance education
23 equipment and incentives pursuant to sections 79-1336 and 79-1337.

24 (d) For fiscal year 2012-13, the Education Innovation
25 Fund shall be allocated as follows: (i) The first forty-five thousand

1 dollars shall be transferred to the Excellence in Teaching Cash Fund
2 to fund the Attracting Excellence to Teaching Program; (ii) the next
3 three million three hundred sixty-five thousand nine hundred sixty-
4 two dollars shall be distributed to school districts as grants
5 pursuant to the Early Childhood Education Grant Program; (iii) the
6 next two million one hundred seventy-five thousand six hundred
7 seventy-three dollars shall be distributed to local systems as grants
8 for approved accelerated or differentiated curriculum programs for
9 students identified as learners with high ability pursuant to section
10 79-1108.02; (iv) the next one hundred eight thousand one hundred
11 thirty-six dollars shall be used by the department for the
12 development of an integrated early childhood, elementary, secondary,
13 and postsecondary student information system; (v) the next four
14 hundred fifty thousand dollars shall fund the Center for Student
15 Leadership and Extended Learning Act; (vi) the next one hundred
16 fourteen thousand six hundred twenty-nine dollars shall be used by
17 the department to fund the multicultural education program created
18 under section 79-720; (vii) the next one hundred twenty-three
19 thousand four hundred sixty-eight dollars shall be used by the
20 department to employ persons to investigate and prosecute alleged
21 violations as provided in section 79-868; (viii) up to the next one
22 hundred sixty thousand dollars shall be used by the department to
23 implement section 79-759; (ix) the next twenty-seven thousand two
24 hundred dollars shall be used to fund the Interstate Compact on
25 Educational Opportunity for Military Children; ~~and~~-(x) the next two

1 hundred thousand dollars shall be transferred to the Nebraska
2 Coordinated School Health Fund pursuant to section 2 of this act; and
3 (xi) the amount remaining shall be allocated, after administrative
4 expenses, for distance education equipment and incentives pursuant to
5 sections 79-1336 and 79-1337.

6 (e) For fiscal year 2013-14, the Education Innovation
7 Fund shall be allocated as follows: (i) The first one million dollars
8 shall be transferred to the Excellence in Teaching Cash Fund to fund
9 the Excellence in Teaching Act; (ii) the next two hundred thousand
10 dollars shall be transferred to the Nebraska Coordinated School
11 Health Fund pursuant to section 2 of this act; (iii) the next
12 allocation shall be distributed to local systems as grants for
13 approved accelerated or differentiated curriculum programs for
14 students identified as learners with high ability pursuant to section
15 79-1108.02 in an aggregated amount up to the amount distributed in
16 the prior fiscal year for such purposes increased by the basic
17 allowable growth rate pursuant to section 79-1025; ~~(iii)~~ (iv) the
18 next allocation shall be used by the State Department of Education
19 for the integrated early childhood, elementary, secondary, and
20 postsecondary student information system in an aggregated amount up
21 to the amount used in the prior fiscal year for such purposes
22 increased by the basic allowable growth rate pursuant to section
23 79-1025; ~~(iv)~~ (v) the next allocation shall fund the Center for
24 Student Leadership and Extended Learning Act in an aggregated amount
25 up to the amount used in the prior fiscal year for such purposes

1 increased by the basic allowable growth rate pursuant to section
2 79-1025; ~~(v)~~ (vi) the next allocation shall be used by the department
3 to fund the multicultural education program created under section
4 79-720 in an aggregated amount up to the amount used in the prior
5 fiscal year for such purposes increased by the basic allowable growth
6 rate pursuant to section 79-1025; ~~(vi)~~ (vii) the next allocation
7 shall be used by the department to employ persons to investigate and
8 prosecute alleged violations as provided in section 79-868 in an
9 aggregated amount up to the amount used in the prior fiscal year for
10 such purposes increased by the basic allowable growth rate pursuant
11 to section 79-1025; ~~(vii)~~ (viii) up to the next one hundred sixty
12 thousand dollars shall be used by the department to implement section
13 79-759; and ~~(viii)~~ (ix) the amount remaining shall be allocated,
14 after administrative expenses, for distance education equipment and
15 incentives pursuant to sections 79-1336 and 79-1337.

16 (f) For fiscal years 2014-15 and 2015-16, the Education
17 Innovation Fund shall be allocated as follows: (i) The first one
18 million dollars shall be transferred to the Excellence in Teaching
19 Cash Fund to fund the Excellence in Teaching Act; (ii) the next two
20 hundred thousand dollars shall be transferred to the Nebraska
21 Coordinated School Health Fund pursuant to section 2 of this act;
22 (iii) the next allocation shall be distributed to local systems as
23 grants for approved accelerated or differentiated curriculum programs
24 for students identified as learners with high ability pursuant to
25 section 79-1108.02 in an aggregated amount up to the amount

1 distributed in the prior fiscal year for such purposes increased by
2 the basic allowable growth rate pursuant to section 79-1025; ~~(iii)~~
3 (iv) the next allocation shall be used by the State Department of
4 Education for the integrated early childhood, elementary, secondary,
5 and postsecondary student information system in an aggregated amount
6 up to the amount used in the prior fiscal year for such purposes
7 increased by the basic allowable growth rate pursuant to section
8 79-1025; ~~(iv)~~ (v) the next allocation shall fund the Center for
9 Student Leadership and Extended Learning Act in an aggregated amount
10 up to the amount used in the prior fiscal year for such purposes
11 increased by the basic allowable growth rate pursuant to section
12 79-1025; ~~(v)~~ (vi) the next allocation shall be used by the department
13 to fund the multicultural education program created under section
14 79-720 in an aggregated amount up to the amount used in the prior
15 fiscal year for such purposes increased by the basic allowable growth
16 rate pursuant to section 79-1025; ~~(vi)~~ (vii) the next allocation
17 shall be used by the department to employ persons to investigate and
18 prosecute alleged violations as provided in section 79-868 in an
19 aggregated amount up to the amount used in the prior fiscal year for
20 such purposes increased by the basic allowable growth rate pursuant
21 to section 79-1025; and ~~(vii)~~ (viii) the amount remaining shall be
22 allocated, after administrative expenses, for distance education
23 equipment and incentives pursuant to sections 79-1336 and 79-1337.

24 (g) For fiscal year 2016-17 and each fiscal year
25 thereafter, the first two hundred fifty thousand dollars shall be

1 transferred to the Nebraska Coordinated School Health Fund pursuant
2 to section 2 of this act and the money remaining in the Education
3 Innovation Fund shall be allocated, after administrative expenses,
4 for education purposes as provided by the Legislature.

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

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

15 Sec. 8. Section 9-836.01, Revised Statutes Cumulative
16 Supplement, 2010, is amended to read:

17 9-836.01 The division may endorse and sell for profit
18 tangible personal property related to the lottery. Any money received
19 as profit by the division pursuant to this section shall be remitted
20 to the State Treasurer for credit to the State Lottery Operation
21 Trust Fund to be distributed to the Education Innovation Fund, the
22 Nebraska Opportunity Grant Fund, the Nebraska Environmental Trust
23 Fund, ~~and~~ the Compulsive Gamblers Assistance Fund, and the Nebraska
24 Coordinated School Health Fund pursuant to the requirements of
25 section 9-812.

1 Sec. 9. Original section 9-836.01, Revised Statutes
2 Cumulative Supplement, 2010, and section 9-812, Revised Statutes
3 Supplement, 2011, are repealed.

4 Sec. 10. Since an emergency exists, this act takes effect
5 when passed and approved according to law.