

LEGISLATURE OF NEBRASKA

ONE HUNDRED SECOND LEGISLATURE

FIRST SESSION

LEGISLATIVE BILL 333

Introduced by Education Committee: Adams, 24, Chairperson; Avery, 28; Cornett, 45; Haar, 21; Howard, 9; Sullivan, 41.

Read first time January 12, 2011

Committee: Education

A BILL

1 FOR AN ACT relating to schools; to amend sections 79-703, 79-760.04,
2 79-760.05, 79-1108, and 79-1108.02, Reissue Revised
3 Statutes of Nebraska, and sections 9-812, 79-810,
4 79-8,133, 79-8,137.01, 79-8,137.05, 79-8,139, 79-1012,
5 and 79-2104.02, Revised Statutes Cumulative Supplement,
6 2010; to change and eliminate allocation provisions
7 relating to the Education Innovation Fund; to change
8 provisions relating to a certification fund and fees, the
9 Attracting Excellence to Teaching Program, the Enhancing
10 Excellence in Teaching Program, and allocation and
11 transfer of certain funds as prescribed; to eliminate
12 provisions relating to multicultural education and a
13 student achievement coordinator; to harmonize provisions;
14 to repeal the original sections; to outright repeal
15 sections 79-719, 79-720, 79-721, 79-722, 79-723, and
16 79-11,150, Reissue Revised Statutes of Nebraska; and to
17 declare an emergency.

1 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 9-812, Revised Statutes Cumulative
2 Supplement, 2010, is amended to read:

3 9-812 (1) All money received from the operation of
4 lottery games conducted pursuant to the State Lottery Act in Nebraska
5 shall be credited to the State Lottery Operation Trust Fund, which
6 fund is hereby created. All payments of the costs of establishing and
7 maintaining the lottery games shall be made from the State Lottery
8 Operation Cash Fund. In accordance with legislative appropriations,
9 money for payments for expenses of the division shall be transferred
10 from the State Lottery Operation Trust Fund to the State Lottery
11 Operation Cash Fund, which fund is hereby created. All money
12 necessary for the payment of lottery prizes shall be transferred from
13 the State Lottery Operation Trust Fund to the State Lottery Prize
14 Trust Fund, which fund is hereby created. The amount used for the
15 payment of lottery prizes shall not be less than forty percent of the
16 dollar amount of the lottery tickets which have been sold.

17 (2) Beginning October 1, 2003, a portion of the dollar
18 amount of the lottery tickets which have been sold on an annualized
19 basis shall be transferred from the State Lottery Operation Trust
20 Fund to the Education Innovation Fund, the Nebraska Opportunity Grant
21 Fund, the Nebraska Environmental Trust Fund, the Nebraska State Fair
22 Board, and the Compulsive Gamblers Assistance Fund. The dollar amount
23 transferred pursuant to this subsection shall equal the greater of
24 (a) the dollar amount transferred to the funds in fiscal year 2002-03
25 or (b) any amount which constitutes at least twenty-two percent and

1 no more than twenty-five percent of the dollar amount of the lottery
2 tickets which have been sold on an annualized basis. To the extent
3 that funds are available, the Tax Commissioner and director may
4 authorize a transfer exceeding twenty-five percent of the dollar
5 amount of the lottery tickets sold on an annualized basis.

6 (3) Of the money available to be transferred to the
7 Education Innovation Fund, the Nebraska Opportunity Grant Fund, the
8 Nebraska Environmental Trust Fund, the Nebraska State Fair Board, and
9 the Compulsive Gamblers Assistance Fund:

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

13 (b) Nineteen and three-fourths percent of the money
14 remaining after the payment of prizes and operating expenses and the
15 initial transfer to the Compulsive Gamblers Assistance Fund shall be
16 transferred to the Education Innovation Fund;

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

21 (d) Forty-four and one-half percent of the money
22 remaining after the payment of prizes and operating expenses and the
23 initial transfer to the Compulsive Gamblers Assistance Fund shall be
24 transferred to the Nebraska Environmental Trust Fund to be used as
25 provided in the Nebraska Environmental Trust Act;

1 (e) Ten percent of the money remaining after the payment
2 of prizes and operating expenses and the initial transfer to the
3 Compulsive Gamblers Assistance Fund shall be transferred to the
4 Nebraska State Fair Board if the most populous city within the county
5 in which the fair is located provides matching funds equivalent to
6 ten percent of the funds available for transfer. Such matching funds
7 may be obtained from the city and any other private or public entity,
8 except that no portion of such matching funds shall be provided by
9 the state. If the Nebraska State Fair ceases operations, ten percent
10 of the money remaining after the payment of prizes and operating
11 expenses and the initial transfer to the Compulsive Gamblers
12 Assistance Fund shall be transferred to the General Fund; and

13 (f) One percent of the money remaining after the payment
14 of prizes and operating expenses and the initial transfer to the
15 Compulsive Gamblers Assistance Fund shall be transferred to the
16 Compulsive Gamblers Assistance Fund to be used as provided in section
17 71-817.

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

21 ~~(b) For fiscal year 2005-06, the Education Innovation~~
22 ~~Fund shall be allocated as follows: The first one million dollars~~
23 ~~shall be transferred to the School District Reorganization Fund, and~~
24 ~~the remaining amount shall be allocated to the General Fund after~~
25 ~~operating expenses for the Excellence in Education Council are~~

1 ~~deducted.~~

2 ~~(c) For fiscal year 2006-07, the Education Innovation~~
3 ~~Fund shall be allocated as follows: The first two hundred fifty~~
4 ~~thousand dollars shall be transferred to the Attracting Excellence to~~
5 ~~Teaching Program Cash Fund to fund the Attracting Excellence to~~
6 ~~Teaching Program Act, the next one million dollars shall be~~
7 ~~transferred to the School District Reorganization Fund, and the~~
8 ~~amount remaining in the Education Innovation Fund shall be allocated,~~
9 ~~after administrative expenses, for distance education equipment and~~
10 ~~incentives pursuant to sections 79-1336 and 79-1337.~~

11 ~~(d) For fiscal year 2007-08, the Education Innovation~~
12 ~~Fund shall be allocated as follows: The first five hundred thousand~~
13 ~~dollars shall be transferred to the Attracting Excellence to Teaching~~
14 ~~Program Cash Fund to fund the Attracting Excellence to Teaching~~
15 ~~Program Act, and the amount remaining in the Education Innovation~~
16 ~~Fund shall be allocated, after administrative expenses, for distance~~
17 ~~education equipment and incentives pursuant to sections 79-1336 and~~
18 ~~79-1337.~~

19 ~~(e) For fiscal year 2008-09, the Education Innovation~~
20 ~~Fund shall be allocated as follows: The first seven hundred fifty~~
21 ~~thousand dollars shall be transferred to the Attracting Excellence to~~
22 ~~Teaching Program Cash Fund to fund the Attracting Excellence to~~
23 ~~Teaching Program Act, and the amount remaining in the Education~~
24 ~~Innovation Fund shall be allocated, after administrative expenses,~~
25 ~~for distance education equipment and incentives pursuant to sections~~

1 ~~79-1336 and 79-1337.~~

2 ~~(f) For fiscal year 2009-10, the Education Innovation~~
3 ~~Fund shall be allocated as follows: Any amounts transferred to the~~
4 ~~Education Innovation Fund from the School District Reorganization~~
5 ~~Fund shall be returned to the School District Reorganization Fund~~
6 ~~first, the next one million dollars shall be transferred to the~~
7 ~~Excellence in Teaching Cash Fund to fund the Excellence in Teaching~~
8 ~~Act, and the amount remaining in the Education Innovation Fund shall~~
9 ~~be allocated, after administrative expenses, for distance education~~
10 ~~equipment and incentives pursuant to sections 79-1336 and 79-1337.~~

11 ~~(g)-(b) For fiscal years year 2010-11, through 2015-16,~~
12 ~~the Education Innovation Fund shall be allocated as follows: The~~
13 ~~first one million dollars shall be transferred to the Excellence in~~
14 ~~Teaching Cash Fund to fund the Excellence in Teaching Act, and the~~
15 ~~amount remaining in the Education Innovation Fund shall be allocated,~~
16 ~~after administrative expenses, for distance education equipment and~~
17 ~~incentives pursuant to sections 79-1336 and 79-1337.~~

18 (c) For fiscal year 2011-12, the Education Innovation
19 Fund shall be allocated as follows: (i) The first two hundred twenty-
20 five thousand dollars shall be transferred to the Excellence in
21 Teaching Cash Fund to fund the Attracting Excellence to Teaching
22 Program; (ii) the next three million three hundred sixty-five
23 thousand nine hundred sixty-two dollars shall be distributed to
24 school districts as grants pursuant to the Early Childhood Education
25 Grant Program; (iii) the next two million one hundred seventy-five

1 thousand six hundred seventy-three dollars shall be distributed to
2 local systems as grants for approved accelerated or differentiated
3 curriculum programs for students identified as learners with high
4 ability pursuant to section 79-1108.02; (iv) the next four hundred
5 ninety-one thousand five hundred forty-one dollars shall be used by
6 the department for the development of an integrated early childhood,
7 elementary, secondary, and postsecondary student information system;
8 (v) the next four hundred fifty thousand dollars shall fund the
9 Center for Student Leadership and Extended Learning Act; and (vi) the
10 amount remaining shall be allocated, after administrative expenses,
11 for distance education equipment and incentives pursuant to sections
12 79-1336 and 79-1337.

13 (d) For fiscal year 2012-13, the Education Innovation
14 Fund shall be allocated as follows: (i) The first forty-five thousand
15 dollars shall be transferred to the Excellence in Teaching Cash Fund
16 to fund the Attracting Excellence to Teaching Program; (ii) the next
17 three million three hundred sixty-five thousand nine hundred sixty-
18 two dollars shall be distributed to school districts as grants
19 pursuant to the Early Childhood Education Grant Program; (iii) the
20 next two million one hundred seventy-five thousand six hundred
21 seventy-three dollars shall be distributed to local systems as grants
22 for approved accelerated or differentiated curriculum programs for
23 students identified as learners with high ability pursuant to section
24 79-1108.02; (iv) the next one hundred eight thousand one hundred
25 thirty-six dollars shall be used by the department for the

1 development of an integrated early childhood, elementary, secondary,
2 and postsecondary student information system; (v) the next four
3 hundred fifty thousand dollars shall fund the Center for Student
4 Leadership and Extended Learning Act; and (vi) the amount remaining
5 shall be allocated, after administrative expenses, for distance
6 education equipment and incentives pursuant to sections 79-1336 and
7 79-1337.

8 (e) For fiscal years 2013-14 through 2015-16, the
9 Education Innovation Fund shall be allocated as follows: (i) The
10 first one million dollars shall be transferred to the Excellence in
11 Teaching Cash Fund to fund the Excellence in Teaching Act; (ii) the
12 next 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) the next
18 allocation shall be used by the State Department of Education for the
19 integrated early childhood, elementary, secondary, and postsecondary
20 student information system in an aggregated amount up to the amount
21 used in the prior fiscal year for such purposes increased by the
22 basic allowable growth rate pursuant to section 79-1025; (iv) the
23 next allocation shall fund the Center for Student Leadership and
24 Extended Learning Act in an aggregated amount up to the amount used
25 in the prior fiscal year for such purposes increased by the basic

1 allowable growth rate pursuant to section 79-1025; and (vi) the
2 amount remaining shall be allocated, after administrative expenses,
3 for distance education equipment and incentives pursuant to sections
4 79-1336 and 79-1337.

5 ~~(h)~~(f) For fiscal year 2016-17 and each fiscal year
6 thereafter, the Education Innovation Fund shall be allocated, after
7 administrative expenses, for education purposes as provided by the
8 Legislature.

9 ~~(i) The State Treasurer shall transfer ten million~~
10 ~~dollars from the Education Innovation Fund to the University Cash~~
11 ~~Fund on or before December 31, 2009, as directed by the budget~~
12 ~~administrator of the budget division of the Department of~~
13 ~~Administrative Services.~~

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

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

24 Sec. 2. Section 79-703, Reissue Revised Statutes of
25 Nebraska, is amended to read:

1 79-703 (1) To ensure both equality of opportunity and
2 quality of programs offered, all public schools in the state shall be
3 required to meet quality and performance-based approval or
4 accreditation standards as prescribed by the State Board of
5 Education. The board shall establish a core curriculum standard,
6 which shall include ~~multicultural education and~~ vocational education
7 courses, for all public schools in the state. Accreditation and
8 approval standards shall be designed to assure effective schooling
9 and quality of instructional programs regardless of school size,
10 wealth, or geographic location. The board shall recognize and
11 encourage the maximum use of cooperative programs and may provide for
12 approval or accreditation of programs on a cooperative basis,
13 including the sharing of administrative and instructional staff,
14 between school districts for the purpose of meeting the approval and
15 accreditation requirements established pursuant to this section and
16 section 79-318.

17 (2) The Commissioner of Education shall appoint an
18 accreditation committee which shall be representative of the
19 educational institutions and agencies of the state and shall include
20 as a member the director of admissions of the University of Nebraska.

21 (3) The accreditation committee shall be responsible for:
22 (a) Recommending appropriate standards and policies with respect to
23 the accreditation and classification of schools; and (b) making
24 recommendations annually to the commissioner relative to the
25 accreditation and classification of individual schools. No school

1 shall be considered for accreditation status which has not first
2 fulfilled all requirements for an approved school.

3 (4) By school year 1993-94 all public schools in the
4 state shall be accredited.

5 (5) It is the intent of the Legislature that all public
6 school students shall have access to all educational services
7 required of accredited schools. Such services may be provided through
8 cooperative programs or alternative methods of delivery.

9 Sec. 3. Section 79-760.04, Reissue Revised Statutes of
10 Nebraska, is amended to read:

11 79-760.04 (1) For each learning community, any
12 educational service units that have member school districts that are
13 part of such learning community shall develop and implement a joint
14 plan to establish grade level standards and provide for
15 developmentally appropriate assessment of students in grades
16 kindergarten through three. The joint plan shall include, but not be
17 limited to, the subject areas of reading and mathematics and shall be
18 developed to measure student progress toward such standards.

19 (2) ~~The coordinator appointed pursuant to section~~
20 ~~79-11,150 and the~~ State Department of Education shall provide
21 assistance in the development of the standards and assessment
22 described in subsection (1) of this section.

23 (3) School districts shall report data collected pursuant
24 to the plan described in subsection (1) of this section to such
25 educational service units. The data shall conform with the data

1 collection procedures established for the student identifier system
2 pursuant to section 79-760.05.

3 Sec. 4. Section 79-760.05, Reissue Revised Statutes of
4 Nebraska, is amended to read:

5 79-760.05 (1) The State Board of Education shall
6 implement a statewide system for tracking individual student
7 achievement, using the student identifier system of the State
8 Department of Education, that can be aggregated to track student
9 progress by demographic characteristics, including, but not limited
10 to, race, poverty, high mobility, attendance, and limited English
11 proficiency, on available measures of student achievement which
12 include, but need not be limited to, national assessment instruments
13 and state assessment instruments. Such a system shall be designed so
14 as to aggregate student data by available educational input
15 characteristics, which may include class size, teacher education,
16 teacher experience, special education, early childhood programs,
17 federal programs, and other targeted education programs. School
18 districts shall provide the department with individual student
19 achievement data from assessment instruments required pursuant to
20 section 79-760.03 in order to implement the statewide system.

21 (2) The department ~~and the coordinator appointed pursuant~~
22 ~~to section 79-11,150~~ shall annually analyze and report on student
23 achievement for the state, each school district, and each learning
24 community aggregated by the demographic characteristics described in
25 subsection (1) of this section. The department shall report the

1 findings to the Governor, the Legislature, school districts,
2 educational service units, and each learning community. Such analysis
3 shall include aggregated data that would indicate differences in
4 achievement due to available educational input characteristics
5 described in subsection (1) of this section. Such analysis shall
6 include indicators of progress toward state achievement goals for
7 students in poverty, limited English proficient students, and highly
8 mobile students. ~~according to the plan developed by the coordinator~~
9 ~~pursuant to section 79-11,150.~~

10 Sec. 5. Section 79-810, Revised Statutes Cumulative
11 Supplement, 2010, is amended to read:

12 79-810 (1) Certificates and permits shall be issued by
13 the commissioner upon application on forms prescribed and provided by
14 him or her which shall include the applicant's social security
15 number.

16 (2) Each certificate or permit issued by the commissioner
17 shall indicate the area of authorization to teach, provide special
18 services, or administer and any areas of endorsement for which the
19 holder qualifies. During the term of any certificate or permit issued
20 by the commissioner, additional endorsements may be made on the
21 certificate or permit if the holder submits an application, meets the
22 requirements for issuance of the additional endorsements, and pays a
23 nonrefundable fee of forty dollars.

24 (3) The Certification Fund is created. Any fee received
25 by the department under sections 79-806 to 79-815 shall be remitted

1 to the State Treasurer for credit to the fund. The fund shall be used
2 by the department in paying the costs of certifying educators
3 pursuant to such sections and to carry out subsection (3) of section
4 79-808 and by the commissioner to employ persons to investigate and
5 prosecute alleged violations as provided in section 79-868. For
6 issuance of a certificate or permit valid in all schools, the
7 nonrefundable fee shall be ~~fifty-five~~ seventy dollars, except that
8 thirteen dollars of the ~~fifty-five-dollar~~ seventy-dollar fee shall be
9 credited to the Professional Practices Commission Fund which is
10 created for use by the department to pay for the provisions of
11 sections 79-859 to 79-871, except that transfers may be made from the
12 fund to the General Fund at the direction of the Legislature. For
13 issuance of a certificate or permit valid only in nonpublic schools,
14 the nonrefundable fee shall be ~~forty~~ fifty-five dollars. Any money in
15 the Certification Fund or the Professional Practices Commission Fund
16 available for investment shall be invested by the state investment
17 officer pursuant to the Nebraska Capital Expansion Act and the
18 Nebraska State Funds Investment Act.

19 Sec. 6. Section 79-8,133, Revised Statutes Cumulative
20 Supplement, 2010, is amended to read:

21 79-8,133 The Attracting Excellence to Teaching Program is
22 created. For purposes of the Attracting Excellence to Teaching
23 Program:

- 24 (1) Department means the State Department of Education;
- 25 (2) Eligible institution means a not-for-profit college

1 or university which (a) is located in Nebraska, (b) is accredited by
2 the North Central Association of Colleges and Schools, (c) has a
3 teacher education program, and (d) if a privately funded college or
4 university, has not opted out of the program pursuant to rules and
5 regulations;

6 (3) Eligible student means an individual who (a) is a
7 full-time student, (b) is enrolled in an eligible institution in an
8 undergraduate or a graduate teacher education program working toward
9 his or her initial certificate to teach in Nebraska, (c) if enrolled
10 at a state-funded eligible institution, is a resident student as
11 described in section 85-502 or, if enrolled in a privately funded
12 eligible institution, would be deemed a resident student if enrolled
13 in a state-funded eligible institution, ~~and~~—(d) for applicants
14 applying for the first time on or after April 23, 2009, is a student
15 majoring in a shortage area, and (e) for applicants applying to
16 receive a loan during fiscal year 2011-12 or 2012-13, is a student
17 who previously received a loan pursuant to the Attracting Excellence
18 to Teaching Program in the fiscal year immediately preceding the
19 fiscal year in which the new loan would be received;

20 (4) Full-time student means, in the aggregate, the
21 equivalent of a student who in a twelve-month period is enrolled in
22 twenty-four semester credit hours for undergraduate students or
23 eighteen semester credit hours for graduate students of classroom,
24 laboratory, clinical, practicum, or independent study course work;

25 (5) Majoring in a shortage area means pursuing a degree

1 which will allow an individual to be properly endorsed to teach in a
2 shortage area;

3 (6) Shortage area means a secular field of teaching for
4 which there is a shortage, as determined by the department, of
5 properly endorsed teachers at the time the borrower first receives
6 funds pursuant to the program; and

7 (7) Teacher education program means a program of study
8 approved by the State Board of Education pursuant to subdivision (5)
9 (g) of section 79-318.

10 Sec. 7. Section 79-8,137.01, Revised Statutes Cumulative
11 Supplement, 2010, is amended to read:

12 79-8,137.01 The Enhancing Excellence in Teaching Program
13 is created. For purposes of the Enhancing Excellence in Teaching
14 Program:

15 (1) Department means the State Department of Education;

16 (2) Eligible graduate program means a program of study
17 offered by an eligible institution which results in obtaining a
18 graduate degree;

19 (3) Eligible institution means a not-for-profit college
20 or university which (a) is located in Nebraska, (b) is accredited by
21 the North Central Association of Colleges and Schools, (c) has a
22 teacher education program, and (d) if a privately funded college or
23 university, has not opted out of the Enhancing Excellence in Teaching
24 Program pursuant to rules and regulations;

25 (4) Eligible student means an individual who (a) is a

1 certificated teacher employed to teach in an approved or accredited
2 school in Nebraska, (b) is enrolled in an eligible graduate program,
3 (c) if enrolled at a state-funded eligible institution, is a resident
4 student as described in section 85-502 or, if enrolled in a privately
5 funded eligible institution, would be deemed a resident student if
6 enrolled in a state-funded eligible institution, ~~and~~-(d) is majoring
7 in a shortage area, curriculum and instruction, a subject area in
8 which the individual already holds a secular teaching endorsement, or
9 a subject area that will result in an additional secular teaching
10 endorsement which the superintendent of the school district or head
11 administrator of the private, denominational, or parochial school
12 employing the individual believes will be beneficial to the students
13 of such school district or school as evidenced by a statement signed
14 by the superintendent or head administrator, and (e) is applying for
15 a loan pursuant to the Enhancing Excellence in Teaching Program to be
16 received at a time other than during fiscal year 2011-12 or 2012-13;

17 (5) Majoring in a shortage area or subject area means
18 pursuing a degree which will allow an individual to be properly
19 endorsed to teach in such shortage area or subject area; and

20 (6) Shortage area means a secular field of teaching for
21 which there is a shortage, as determined by the department, of
22 properly endorsed teachers at the time the borrower first receives
23 funds pursuant to the Enhancing Excellence in Teaching Program.

24 Sec. 8. Section 79-8,137.05, Revised Statutes Cumulative
25 Supplement, 2010, is amended to read:

1 79-8,137.05 (1) The Excellence in Teaching Cash Fund is
2 created. The fund shall consist of appropriations by the Legislature,
3 transfers pursuant to section 9-812, and loan repayments, penalties,
4 and interest payments received in the course of administering the
5 Attracting Excellence to Teaching Program and the Enhancing
6 Excellence in Teaching Program. ~~The~~

7 (2) For all fiscal years except fiscal years 2011-12 and
8 2012-13, the department shall allocate on an annual basis up to four
9 hundred thousand dollars in the aggregate of the funds to be
10 distributed for the Attracting Excellence to Teaching Program to all
11 eligible institutions according to the distribution formula as
12 determined by rule and regulation. The eligible institutions shall
13 act as agents of the department in the distribution of the funds for
14 the Attracting Excellence to Teaching Program to eligible students.
15 The remaining available funds shall be distributed by the department
16 to eligible students for the Enhancing Excellence in Teaching
17 Program.

18 (3) For fiscal years 2011-12 and 2012-13, the department
19 shall allocate on an annual basis funds to be distributed for the
20 Attracting Excellence to Teaching Program to all eligible
21 institutions receiving applications from eligible students for loans
22 to be received during such fiscal years. The distribution for each of
23 fiscal years 2011-12 and 2012-13 shall be proportional based on the
24 amounts applied for by eligible students at each institution, except
25 that no more than one hundred percent of such amounts shall be

1 distributed. The eligible institutions shall act as agents of the
2 department in the distribution of the funds for the Attracting
3 Excellence to Teaching Program to eligible students.

4 (4) Any money in the fund available for investment shall
5 be invested by the state investment officer pursuant to the Nebraska
6 Capital Expansion Act and the Nebraska State Funds Investment Act.

7 Sec. 9. Section 79-8,139, Revised Statutes Cumulative
8 Supplement, 2010, is amended to read:

9 79-8,139 (1) Each eligible institution shall file an
10 annual report with the department for the Attracting Excellence to
11 Teaching Program and the Enhancing Excellence in Teaching Program for
12 any fiscal year in which the eligible institution receives funding to
13 distribute to students pursuant to either or both of such programs
14 ~~with the department~~ containing such information as required by rule
15 and regulation. On or before ~~December 31, 2010, and on or before~~
16 December 31 of each even-numbered year, ~~thereafter,~~ the department
17 shall submit a report to the Governor, the Clerk of the Legislature,
18 and the Education Committee of the Legislature on the status of the
19 programs, the status of the borrowers, and the impact of the programs
20 on the number of teachers in shortage areas in Nebraska and on the
21 number of teachers receiving graduate degrees in teaching endorsement
22 areas in Nebraska. Each report shall include information on an
23 institution-by-institution basis, the status of borrowers, and a
24 financial statement with a description of the activity of the
25 Excellence in Teaching Cash Fund.

1 (2) Any report pursuant to this section which includes
2 information about borrowers shall exclude confidential information or
3 any other information which specifically identifies a borrower.

4 Sec. 10. Section 79-1012, Revised Statutes Cumulative
5 Supplement, 2010, is amended to read:

6 79-1012 The School District Reorganization Fund is
7 created. The fund shall be administered by the department. The fund
8 shall consist of money transferred from the Education Innovation Fund
9 and shall be used to provide payments to reorganized school districts
10 pursuant to section 79-1011. Any unencumbered money remaining in the
11 School District Reorganization Fund on July 1, 2011, shall be
12 transferred to the Education Innovation Fund on such date. Any money
13 remaining in the School District Reorganization Fund on July 1, 2013,
14 shall be transferred to the Education Innovation Fund on such date.
15 Any money in the School District Reorganization Fund available for
16 investment shall be invested by the state investment officer pursuant
17 to the Nebraska Capital Expansion Act and the Nebraska State Funds
18 Investment Act.

19 Sec. 11. Section 79-1108, Reissue Revised Statutes of
20 Nebraska, is amended to read:

21 79-1108 ~~For school year 1997-98 and each school year~~
22 ~~thereafter, each~~ Each school district shall identify learners with
23 high ability and may provide accelerated or differentiated curriculum
24 programs that will address the educational needs of the identified
25 students at levels appropriate for the abilities of those students.

1 The accelerated or differentiated curriculum programs shall meet the
2 standards of quality established by the department. Educational
3 service units may identify learners with high ability and provide
4 accelerated or differentiated curriculum programs for school
5 districts. ~~Any school district or educational service unit shall be
6 eligible to apply for funds from the Education Innovation Fund to be
7 used for development and improvement of the approved accelerated or
8 differentiated curriculum programs of the district or educational
9 service unit.~~

10 Sec. 12. Section 79-1108.02, Reissue Revised Statutes of
11 Nebraska, is amended to read:

12 79-1108.02 (1) ~~Beginning with school fiscal year 1998-99,~~
13 ~~the Legislature shall appropriate funds to be distributed by the~~
14 ~~department pursuant to subsections (2) and (3) of this section to~~
15 ~~local systems as defined in section 79-1003 annually on or before~~
16 ~~October 15. It is the intent of the Legislature to appropriate, for~~
17 ~~FY1998-99, six million dollars and, for FY1999-00 and each fiscal~~
18 ~~year thereafter, the amount of the previous year's appropriation~~
19 ~~increased by the percentage growth in identified participating~~
20 ~~students plus the basic allowable growth rate in section 79-1025, to~~
21 ~~carry out this section. The department shall distribute amounts from~~
22 ~~the Education Innovation Fund pursuant to section 9-812 for purposes~~
23 ~~of subsection (2) of this section to local systems as defined in~~
24 ~~section 79-1003 annually on or before October 15. (2) For school~~
25 ~~fiscal years through 2000-01, five percent of the appropriation under~~

1 ~~subsection (1) of this section shall be reserved for distribution as~~
2 ~~grants to local systems for startup costs as defined by the State~~
3 ~~Board of Education.~~ The funds distributed pursuant to this ~~subsection~~
4 section shall be distributed based on a pro rata share of the
5 eligible costs submitted in grant applications.

6 ~~(3)~~ (2) Local systems may apply to the department for
7 base funds and matching funds pursuant to this section to be spent on
8 approved accelerated or differentiated curriculum programs. Each
9 eligible local system shall receive one-tenth of one percent of the
10 appropriation as base funds plus a pro rata share of the remainder of
11 the appropriation based on identified students participating in an
12 accelerated or differentiated curriculum program, up to ten percent
13 of the prior year's fall membership as defined in section 79-1003, as
14 matching funds. Eligible local systems shall:

15 (a) Provide an approved accelerated or differentiated
16 curriculum program for students identified as learners with high
17 ability;

18 (b) Provide funds from other sources for the approved
19 accelerated or differentiated curriculum program greater than or
20 equal to fifty percent of the matching funds received pursuant to
21 this subsection;

22 (c) Provide an accounting of the funds received pursuant
23 to this section, funds required by subdivision (b) of this
24 subsection, and the total cost of the program on or before August 1
25 of the year following the receipt of funds in a manner prescribed by

1 the department, not to exceed one report per year;

2 (d) Provide data regarding the academic progress of
3 students participating in the accelerated or differentiated
4 curriculum program in a manner prescribed by the department, not to
5 exceed one report per year; and

6 (e) Include identified students from Class I districts
7 that are part of the local system in the accelerated or
8 differentiated curriculum program.

9 If a local system will not be providing the necessary
10 matching funds pursuant to subdivision (b) of this subsection, the
11 local system shall request a reduction in the amount received
12 pursuant to this subsection such that the local system will be in
13 compliance with such subdivision. Local systems not complying with
14 the requirements of this subsection shall not be eligible local
15 systems in the following year.

16 Sec. 13. Section 79-2104.02, Revised Statutes Cumulative
17 Supplement, 2010, is amended to read:

18 79-2104.02 Each learning community coordinating council
19 shall use any funds received after January 15, 2011, pursuant to
20 section 79-1241.03 for evaluation and research pursuant to plans
21 developed by the learning community coordinating council with
22 assistance from the educational service unit coordinating council ~~and~~
23 ~~the student achievement coordinator~~ and adjusted on an ongoing basis.
24 The evaluation shall be conducted by one or more other entities or
25 individuals who are not employees of the learning community and shall

1 measure progress toward the goals and objectives of the learning
2 community, which goals and objectives shall include closing academic
3 achievement gaps based on socioeconomic status, and the effectiveness
4 of the approaches used by the learning community or pilot project to
5 reach such goals and objectives. Any research conducted pursuant to
6 this section shall also be related to such goals and objectives.
7 After the first full year of operation, each learning community shall
8 report evaluation and research results to the Education Committee of
9 the Legislature on or before December 1 of each year.

10 Sec. 14. Original sections 79-703, 79-760.04, 79-760.05,
11 79-1108, and 79-1108.02, Reissue Revised Statutes of Nebraska, and
12 sections 9-812, 79-810, 79-8,133, 79-8,137.01, 79-8,137.05, 79-8,139,
13 79-1012, and 79-2104.02, Revised Statutes Cumulative Supplement,
14 2010, are repealed.

15 Sec. 15. The following sections are outright repealed:
16 Sections 79-719, 79-720, 79-721, 79-722, 79-723, and 79-11,150,
17 Reissue Revised Statutes of Nebraska.

18 Sec. 16. Since an emergency exists, this act takes effect
19 when passed and approved according to law.