

E AND R AMENDMENTS TO LB 497

Introduced by Murante, 49, Chairman Enrollment and Review

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

3           Section 1. Section 9-812, Reissue Revised Statutes of  
4 Nebraska, is amended to read:

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

20           (2) ~~Beginning October 1, 2003,~~ a A portion of the dollar  
21 amount of the lottery tickets which have been sold on an annualized  
22 basis shall be transferred from the State Lottery Operation Trust  
23 Fund to ~~the Education Innovation Fund, the Nebraska Opportunity~~

1 ~~Grant Fund, the~~ (a) the Nebraska Environmental Trust Fund, the  
2 Nebraska State Fair Board, and the Compulsive Gamblers Assistance  
3 Fund, (b) through June 30, 2016, to the Education Innovation Fund  
4 and the Nebraska Opportunity Grant Fund, and (c) on and after  
5 July 1, 2016, to the Nebraska Education Improvement Fund. The  
6 dollar amount transferred pursuant to this subsection shall equal  
7 the greater of (a) the dollar amount transferred to the funds  
8 in fiscal year 2002-03 or (b) any amount which constitutes at  
9 least twenty-two percent and no more than twenty-five percent of  
10 the dollar amount of the lottery tickets which have been sold on  
11 an annualized basis. To the extent that funds are available, the  
12 Tax Commissioner and director may authorize a transfer exceeding  
13 twenty-five percent of the dollar amount of the lottery tickets  
14 sold on an annualized basis.

15 (3) Of the money available to be transferred to the  
16 Education Innovation Fund, the Nebraska Opportunity Grant Fund,  
17 the Nebraska Education Improvement Fund, the Nebraska Environmental  
18 Trust Fund, the Nebraska State Fair Board, and the Compulsive  
19 Gamblers Assistance Fund:

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

23 (b) (i) Through June 30, 2016, nineteen ~~Nineteen~~ and  
24 three-fourths percent of the money remaining after the payment  
25 of prizes and operating expenses and the initial transfer to  
26 the Compulsive Gamblers Assistance Fund shall be transferred to  
27 the Education Innovation Fund and (ii) beginning July 1, 2016,

1 forty-four and one-half percent of the money remaining after the  
2 payment of prizes and operating expenses and the initial transfer  
3 to the Compulsive Gamblers Assistance Fund shall be transferred to  
4 the Nebraska Education Improvement Fund;

5 (c) ~~Twenty-four~~ Through June 30, 2016, twenty-four and  
6 three-fourths percent of the money remaining after the payment  
7 of prizes and operating expenses and the initial transfer to the  
8 Compulsive Gamblers Assistance Fund shall be transferred to the  
9 Nebraska Opportunity Grant Fund and beginning July 1, 2016, to the  
10 Nebraska Education Improvement Fund;

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

16 (e) Ten percent of the money remaining after the payment  
17 of prizes and operating expenses and the initial transfer to  
18 the Compulsive Gamblers Assistance Fund shall be transferred to  
19 the Nebraska State Fair Board if the most populous city within  
20 the county in which the fair is located provides matching funds  
21 equivalent to ten percent of the funds available for transfer. Such  
22 matching funds may be obtained from the city and any other private  
23 or public entity, except that no portion of such matching funds  
24 shall be provided by the state. If the Nebraska State Fair ceases  
25 operations, ten percent of the money remaining after the payment  
26 of prizes and operating expenses and the initial transfer to the  
27 Compulsive Gamblers Assistance Fund shall be transferred to the

1 General Fund; and

2 (f) One percent of the money remaining after the payment  
3 of prizes and operating expenses and the initial transfer to the  
4 Compulsive Gamblers Assistance Fund shall be transferred to the  
5 Compulsive Gamblers Assistance Fund to be used as provided in  
6 section 71-817.

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

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

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

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

18       ~~(d)~~ (b) For fiscal year 2012-13, the Education Innovation  
19 Fund shall be allocated as follows: (i) The first forty-five  
20 thousand dollars shall be transferred to the Excellence in Teaching  
21 Cash Fund to fund the Attracting Excellence to Teaching Program;  
22 (ii) the next three million three hundred sixty-five thousand  
23 nine hundred sixty-two dollars shall be distributed to school  
24 districts as grants pursuant to the Early Childhood Education  
25 Grant Program; (iii) the next two million one hundred seventy-five  
26 thousand six hundred seventy-three dollars shall be distributed to  
27 local systems as grants for approved accelerated or differentiated

1 curriculum programs for students identified as learners with  
2 high ability pursuant to section 79-1108.02; (iv) the next one  
3 hundred eight thousand one hundred thirty-six dollars shall be  
4 used by the department for the development of an integrated  
5 early childhood, elementary, secondary, and postsecondary student  
6 information system; (v) the next four hundred fifty thousand  
7 dollars shall fund the Center for Student Leadership and Extended  
8 Learning Act; (vi) the next one hundred fourteen thousand six  
9 hundred twenty-nine dollars shall be used by the department to fund  
10 the multicultural education program created under section 79-720;  
11 (vii) the next one hundred twenty-three thousand four hundred  
12 sixty-eight dollars shall be used by the department to employ  
13 persons to investigate and prosecute alleged violations as provided  
14 in section 79-868; (viii) up to the next one hundred sixty thousand  
15 dollars shall be used by the department to implement section  
16 79-759; (ix) the next twenty-seven thousand two hundred dollars  
17 shall be used to fund the Interstate Compact on Educational  
18 Opportunity for Military Children; (x) the next two hundred  
19 thousand dollars shall be used to provide grants to establish  
20 bridge programs pursuant to sections 79-1189 to 79-1195; and (xi)  
21 the amount remaining shall be allocated, after administrative  
22 expenses, for distance education equipment and incentives pursuant  
23 to sections 79-1336 and 79-1337. No funds received as allocations  
24 from the Education Innovation Fund pursuant to this subdivision may  
25 be obligated for payment to be made after June 30, 2016.

26           ~~(e)~~ (c) For fiscal year 2013-14, the Education Innovation  
27 Fund shall be allocated as follows: (i) The first one million

1 dollars shall be transferred to the Excellence in Teaching Cash  
2 Fund to fund the Excellence in Teaching Act; (ii) the next  
3 allocation shall be distributed to local systems as grants for  
4 approved accelerated or differentiated curriculum programs for  
5 students identified as learners with high ability pursuant to  
6 section 79-1108.02 in an aggregated amount up to the amount  
7 distributed in the prior fiscal year for such purposes increased  
8 by the basic allowable growth rate pursuant to section 79-1025;  
9 (iii) the next allocation shall be used by the State Department  
10 of Education for the integrated early childhood, elementary,  
11 secondary, and postsecondary student information system in an  
12 aggregated amount up to the amount used in the prior fiscal year  
13 for such purposes increased by the basic allowable growth rate  
14 pursuant to section 79-1025; (iv) the next allocation shall fund  
15 the Center for Student Leadership and Extended Learning Act in  
16 an aggregated amount up to the amount used in the prior fiscal  
17 year for such purposes increased by the basic allowable growth  
18 rate pursuant to section 79-1025; (v) the next allocation shall be  
19 used by the department to fund the multicultural education program  
20 created under section 79-720 in an aggregated amount up to the  
21 amount used in the prior fiscal year for such purposes increased  
22 by the basic allowable growth rate pursuant to section 79-1025;  
23 (vi) the next allocation shall be used by the department to employ  
24 persons to investigate and prosecute alleged violations as provided  
25 in section 79-868 in an aggregated amount up to the amount used  
26 in the prior fiscal year for such purposes increased by the basic  
27 allowable growth rate pursuant to section 79-1025; (vii) up to

1 the next one hundred sixty thousand dollars shall be used by the  
2 department to implement section 79-759; (viii) the next two hundred  
3 thousand dollars shall be used to provide grants to establish  
4 bridge programs pursuant to sections 79-1189 to 79-1195; and (ix)  
5 the amount remaining shall be allocated, after administrative  
6 expenses, for distance education equipment and incentives pursuant  
7 to sections 79-1336 and 79-1337. No funds received as allocations  
8 from the Education Innovation Fund pursuant to this subdivision may  
9 be obligated for payment to be made after June 30, 2016.

10 ~~(f)~~ (d) For fiscal year 2014-15, the Education Innovation  
11 Fund shall be allocated as follows: (i) The first one million  
12 dollars shall be transferred to the Excellence in Teaching Cash  
13 Fund to fund the Excellence in Teaching Act; (ii) the next  
14 allocation shall be distributed to local systems as grants for  
15 approved accelerated or differentiated curriculum programs for  
16 students identified as learners with high ability pursuant to  
17 section 79-1108.02 in an aggregated amount up to the amount  
18 distributed in the prior fiscal year for such purposes increased  
19 by the basic allowable growth rate pursuant to section 79-1025;  
20 (iii) the next allocation shall be used by the State Department  
21 of Education for the integrated early childhood, elementary,  
22 secondary, and postsecondary student information system in an  
23 aggregated amount up to the amount used in the prior fiscal year  
24 for such purposes increased by the basic allowable growth rate  
25 pursuant to section 79-1025; (iv) the next allocation shall fund  
26 the Center for Student Leadership and Extended Learning Act in  
27 an aggregated amount up to the amount used in the prior fiscal

1 year for such purposes increased by the basic allowable growth  
2 rate pursuant to section 79-1025; (v) the next allocation shall  
3 be used by the department to fund the multicultural education  
4 program created under section 79-720 in an aggregated amount up  
5 to the amount used in the prior fiscal year for such purposes  
6 increased by the basic allowable growth rate pursuant to section  
7 79-1025; (vi) the next allocation shall be used by the department  
8 to employ persons to investigate and prosecute alleged violations  
9 as provided in section 79-868 in an aggregated amount up to the  
10 amount used in the prior fiscal year for such purposes increased by  
11 the basic allowable growth rate pursuant to section 79-1025; (vii)  
12 the next two hundred thousand dollars shall be used to provide  
13 grants to establish bridge programs pursuant to sections 79-1189  
14 to 79-1195; and (viii) the amount remaining shall be allocated,  
15 after administrative expenses, for distance education equipment  
16 and incentives pursuant to sections 79-1336 and 79-1337. No funds  
17 received as allocations from the Education Innovation Fund pursuant  
18 to this subdivision may be obligated for payment to be made after  
19 June 30, 2016.

20 ~~(g)~~ (e) For fiscal year 2015-16, the Education Innovation  
21 Fund shall be allocated as follows: (i) The first one million  
22 dollars shall be transferred to the Excellence in Teaching Cash  
23 Fund to fund the Excellence in Teaching Act; (ii) the next  
24 allocation shall be distributed to local systems as grants for  
25 approved accelerated or differentiated curriculum programs for  
26 students identified as learners with high ability pursuant to  
27 section 79-1108.02 in an aggregated amount up to the amount

1 distributed in the prior fiscal year for such purposes increased  
2 by the basic allowable growth rate pursuant to section 79-1025;  
3 (iii) the next allocation shall be used by the State Department  
4 of Education for the integrated early childhood, elementary,  
5 secondary, and postsecondary student information system in an  
6 aggregated amount up to the amount used in the prior fiscal year  
7 for such purposes increased by the basic allowable growth rate  
8 pursuant to section 79-1025; (iv) the next allocation shall fund  
9 the Center for Student Leadership and Extended Learning Act in  
10 an aggregated amount up to the amount used in the prior fiscal  
11 year for such purposes increased by the basic allowable growth  
12 rate pursuant to section 79-1025; (v) the next allocation shall  
13 be used by the department to fund the multicultural education  
14 program created under section 79-720 in an aggregated amount up  
15 to the amount used in the prior fiscal year for such purposes  
16 increased by the basic allowable growth rate pursuant to section  
17 79-1025; (vi) the next allocation shall be used by the department  
18 to employ persons to investigate and prosecute alleged violations  
19 as provided in section 79-868 in an aggregated amount up to the  
20 amount used in the prior fiscal year for such purposes increased  
21 by the basic allowable growth rate pursuant to section 79-1025; and  
22 (vii) the amount remaining shall be allocated, after administrative  
23 expenses, for distance education equipment and incentives pursuant  
24 to sections 79-1336 and 79-1337. No funds received as allocations  
25 from the Education Innovation Fund pursuant to this subdivision may  
26 be obligated for payment to be made after June 30, 2016.

27 ~~(h) For fiscal year 2016-17 and each fiscal year~~

1 ~~thereafter, the Education Innovation Fund shall be allocated,~~  
2 ~~after administrative expenses, for education purposes as provided~~  
3 ~~by the Legislature.~~

4 (f) The Education Innovation Fund terminates on June 30,  
5 2016. Any money in the fund on such date shall be transferred to  
6 the Nebraska Education Improvement Fund on such date.

7 (5) The Nebraska Education Improvement Fund is created.  
8 The fund shall consist of money transferred pursuant to subdivision  
9 (3)(b)(ii) of this section and any other funds appropriated by  
10 the Legislature. Any money in the fund available for investment  
11 shall be invested by the state investment officer pursuant to  
12 the Nebraska Capital Expansion Act and the Nebraska State Funds  
13 Investment Act.

14 ~~(5)~~ (6) Any money in the State Lottery Operation Trust  
15 Fund, the State Lottery Operation Cash Fund, the State Lottery  
16 Prize Trust Fund, or the Education Innovation Fund available  
17 for investment shall be invested by the state investment officer  
18 pursuant to the Nebraska Capital Expansion Act and the Nebraska  
19 State Funds Investment Act.

20 ~~(6)~~ (7) Unclaimed prize money on a winning lottery ticket  
21 shall be retained for a period of time prescribed by rules and  
22 regulations. If no claim is made within such period, the prize  
23 money shall be used at the discretion of the Tax Commissioner for  
24 any of the purposes prescribed in this section.

25 Sec. 2. Section 9-836.01, Reissue Revised Statutes of  
26 Nebraska, is amended to read:

27 9-836.01 The division may endorse and sell for profit

1 tangible personal property related to the lottery. Any money  
2 received as profit by the division pursuant to this section shall  
3 be remitted to the State Treasurer for credit to the State Lottery  
4 Operation Trust Fund to be distributed to the Education Innovation  
5 Fund, the Nebraska Opportunity Grant Fund, the Nebraska Education  
6 Improvement Fund, the Nebraska Environmental Trust Fund, and the  
7 Compulsive Gamblers Assistance Fund pursuant to the requirements of  
8 section 9-812.

9           Sec. 3. The Education Committee of the Legislature shall  
10 conduct a study of potential uses of the funds dedicated to  
11 education from proceeds of the lottery conducted pursuant to the  
12 State Lottery Act. The committee shall submit a report on the  
13 findings and any recommendations to the Clerk of the Legislature on  
14 or before December 31, 2013. Factors the study shall consider, but  
15 not be limited to, include:

16                   (1) The educational priorities of the state;

17                   (2) What types of educational activities are suited to  
18 being funded by state lottery funds as opposed to state general  
19 funds;

20                   (3) Whether state lottery funds should be used for  
21 significant projects requiring temporary funding or to sustain  
22 ongoing activities; and

23                   (4) Whether periodic reviews of the use of lottery funds  
24 for education should be scheduled.

25           Sec. 4. Section 79-8,137, Revised Statutes Cumulative  
26 Supplement, 2012, is amended to read:

27                   79-8,137 (1)(a) Prior to receiving any money from a

1 loan pursuant to the Attracting Excellence to Teaching Program, an  
2 eligible student shall enter into a contract with the department.  
3 Such contract shall provide notice to the eligible student that  
4 funding for loans pursuant to the Attracting Excellence to Teaching  
5 Program terminates on June 30, 2016. Such contract shall be exempt  
6 from the requirements of sections 73-501 to 73-510.

7 (b) For eligible students who applied for the first time  
8 prior to April 23, 2009, the contract shall require that if (i)  
9 the borrower is not employed as a teacher in Nebraska for a time  
10 period equal to the number of years required for loan forgiveness  
11 pursuant to subsection (2) of this section and is not enrolled  
12 as a full-time student in a graduate program within six months  
13 after obtaining an undergraduate degree for which a loan from the  
14 program was obtained or (ii) the borrower does not complete the  
15 requirements for graduation within five consecutive years after  
16 receiving the initial loan under the program, then the loan must  
17 be repaid, with interest at the rate fixed pursuant to section  
18 45-103 accruing as of the date the borrower signed the contract,  
19 and an appropriate penalty as determined by the department may be  
20 assessed. If a borrower fails to remain enrolled at an eligible  
21 institution or otherwise fails to meet the requirements of an  
22 eligible student, repayment of the loan shall commence within  
23 six months after such change in eligibility. The State Board of  
24 Education may by rules and regulations provide for exceptions to  
25 the conditions of repayment pursuant to this subdivision based upon  
26 mitigating circumstances.

27 (c) For eligible students who apply for the first time

1 on or after April 23, 2009, the contract shall require that if (i)  
2 the borrower is not employed as a full-time teacher teaching in an  
3 approved or accredited school in Nebraska and teaching at least a  
4 portion of the time in the shortage area for which the loan was  
5 received for a time period equal to the number of years required  
6 for loan forgiveness pursuant to subsection (3) of this section  
7 and is not enrolled as a full-time student in a graduate program  
8 within six months after obtaining an undergraduate degree for which  
9 a loan from the program was obtained or (ii) the borrower does not  
10 complete the requirements for graduation within five consecutive  
11 years after receiving the initial loan under the program, then  
12 the loan shall be repaid with interest at the rate fixed pursuant  
13 to section 45-103 accruing as of the date the borrower signed  
14 the contract and actual collection costs as determined by the  
15 department. If a borrower fails to remain enrolled at an eligible  
16 institution or otherwise fails to continue to be an eligible  
17 student, repayment of the loan shall commence within six months  
18 after such change in eligibility. The State Board of Education may  
19 by rule and regulation provide for exceptions to the conditions  
20 of repayment pursuant to this subdivision based upon mitigating  
21 circumstances.

22 (2) If the borrower applied for the first time prior  
23 to April 23, 2009, and (a) successfully completes the teacher  
24 education program and becomes certified pursuant to sections 79-806  
25 to 79-815, (b) becomes employed as a teacher in this state within  
26 six months of becoming certified, and (c) otherwise meets the  
27 requirements of the contract, payments shall be suspended for the

1 number of years that the borrower is required to remain employed  
2 as a teacher in this state under the contract. For each year that  
3 the borrower teaches in Nebraska pursuant to the contract, payments  
4 shall be forgiven in an amount equal to the amount borrowed for  
5 one year, except that if the borrower teaches in a school district  
6 that is in a local system classified as very sparse as defined in  
7 section 79-1003 or teaches in a school district in which at least  
8 forty percent of the students are poverty students as defined in  
9 section 79-1003, payments shall be forgiven each year in an amount  
10 equal to the amount borrowed for two years.

11 (3) If the borrower applies for the first time on or  
12 after April 23, 2009, and (a) successfully completes the teacher  
13 education program and major for which the borrower is receiving  
14 a forgivable loan pursuant to the program and becomes certified  
15 pursuant to sections 79-806 to 79-815 with an endorsement in  
16 the shortage area for which the loan was received, (b) becomes  
17 employed as a full-time teacher teaching at least a portion of the  
18 time in the shortage area for which the loan was received in an  
19 approved or accredited school in this state within six months of  
20 becoming certified, and (c) otherwise meets the requirements of the  
21 contract, payments shall be suspended for the number of years that  
22 the borrower is required to remain employed as a teacher in this  
23 state under the contract. Beginning after the first two years of  
24 teaching full-time in Nebraska following graduation for the degree  
25 for which the loan was received, for each year that the borrower  
26 teaches full-time in Nebraska pursuant to the contract, the loan  
27 shall be forgiven in an amount equal to three thousand dollars,

1 except that if the borrower teaches full-time in a school district  
2 that is in a local system classified as very sparse as defined in  
3 section 79-1003, teaches in a school building in which at least  
4 forty percent of the formula students are poverty students as  
5 defined in section 79-1003, or teaches in an accredited or approved  
6 private school in Nebraska in which at least forty percent of the  
7 enrolled students qualified for free lunches as determined by the  
8 most recent data available from the department, payments shall be  
9 forgiven each year in an amount equal to six thousand dollars.

10 Sec. 5. Section 79-8,137.04, Revised Statutes Cumulative  
11 Supplement, 2012, is amended to read:

12 79-8,137.04 (1) Prior to receiving any money from a  
13 loan pursuant to the Enhancing Excellence in Teaching Program, an  
14 eligible student shall enter into a contract with the department.  
15 Such contract shall provide notice to the eligible student that  
16 funding for loans pursuant to the Enhancing Excellence in Teaching  
17 Program terminates on June 30, 2016. Such contract shall be exempt  
18 from the requirements of sections 73-501 to 73-510. The contract  
19 shall require that if (a) the borrower is not employed as a  
20 full-time teacher teaching in an approved or accredited school in  
21 Nebraska for a time period equal to the number of years required  
22 for loan forgiveness pursuant to subsection (2) of this section or  
23 (b) the borrower does not complete the requirements for graduation  
24 within five consecutive years after receiving the initial loan  
25 under the program, then the loan shall be repaid, with interest  
26 at the rate fixed pursuant to section 45-103 accruing as of the  
27 date the borrower signed the contract and actual collection costs

1 as determined by the department. If a borrower fails to remain  
2 enrolled at an eligible institution or otherwise fails to meet  
3 the requirements of an eligible student, repayment of the loan  
4 shall commence within six months after such change in eligibility.  
5 The State Board of Education may by rules and regulations provide  
6 for exceptions to the conditions of repayment pursuant to this  
7 subsection based upon mitigating circumstances.

8 (2) If the borrower (a) successfully completes the  
9 eligible graduate program and major for which the borrower is  
10 receiving a forgivable loan pursuant to the Enhancing Excellence in  
11 Teaching Program and maintains certification pursuant to sections  
12 79-806 to 79-815, (b) maintains employment as a teacher in an  
13 approved or accredited school in this state, and (c) otherwise  
14 meets the requirements of the contract, payments shall be suspended  
15 for the number of years that the borrower is required to remain  
16 employed as a teacher in this state under the contract. Beginning  
17 after the first two years of teaching full-time in Nebraska  
18 following graduation for the degree for which the loan was  
19 received, for each year that the borrower teaches full-time in  
20 Nebraska pursuant to the contract, the loan shall be forgiven in an  
21 amount equal to three thousand dollars, except that if the borrower  
22 teaches full-time in a school district that is in a local system  
23 classified as very sparse as defined in section 79-1003, teaches in  
24 a school building in which at least forty percent of the students  
25 are poverty students as defined in section 79-1003, or teaches in  
26 an accredited or approved private school in Nebraska in which at  
27 least forty percent of the enrolled students qualified for free

1 lunches as determined by the most recent data available from the  
2 department, payments shall be forgiven each year in an amount equal  
3 to six thousand dollars.

4 Sec. 6. Section 85-1920, Revised Statutes Cumulative  
5 Supplement, 2012, is amended to read:

6 85-1920 The Nebraska Opportunity Grant Fund is created.  
7 Money in the fund shall include amounts transferred from the State  
8 Lottery Operation Trust Fund pursuant to section 9-812 until June  
9 30, 2016. All amounts accruing to the Nebraska Opportunity Grant  
10 Fund shall be used to carry out the Nebraska Opportunity Grant Act.  
11 Any money in the fund available for investment shall be invested  
12 by the state investment officer pursuant to the Nebraska Capital  
13 Expansion Act and the Nebraska State Funds Investment Act. ~~Any~~  
14 ~~money in the Nebraska Scholarship Fund on July 1, 2010, shall be~~  
15 ~~transferred to the Nebraska Opportunity Grant Fund on such date.~~

16 The Nebraska Opportunity Grant Fund terminates on June  
17 30, 2016. Any money in the fund on such date shall be transferred  
18 to the Nebraska Education Improvement Fund on such date.

19 Sec. 7. Original sections 9-812 and 9-836.01, Reissue  
20 Revised Statutes of Nebraska, and sections 79-8,137, 79-8,137.04,  
21 and 85-1920, Revised Statutes Cumulative Supplement, 2012, are  
22 repealed.

23 Sec. 8. Since an emergency exists, this act takes effect  
24 when passed and approved according to law.

25 2. On page 1, strike beginning with "the" in line 1  
26 through line 9 and insert "education; to amend sections 9-812  
27 and 9-836.01, Reissue Revised Statutes of Nebraska, and sections

1 79-8,137, 79-8,137.04, and 85-1920, Revised Statutes Cumulative  
2 Supplement, 2012; to change provisions relating to distribution  
3 of state lottery proceeds; to create the Nebraska Education  
4 Improvement Fund; to provide for a study; to change contract  
5 provisions relating to programs under the Excellence in Teaching  
6 Act; to terminate the Education Innovation Fund and the Nebraska  
7 Opportunity Grant Fund; to eliminate obsolete provisions; to  
8 harmonize provisions; to repeal the original sections; and to  
9 declare an emergency."