

LEGISLATURE OF NEBRASKA
ONE HUNDRED FOURTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 1067

FINAL READING

Introduced by Sullivan, 41.

Read first time January 20, 2016

Committee: Education

1 A BILL FOR AN ACT relating to education; to amend sections 79-233,
2 79-234, 79-235, 79-237, 79-238, 79-241, 79-245, 79-4,119, 79-4,121,
3 79-4,122, 79-4,123, 79-4,124, 79-4,125, 79-4,126, 79-4,128, 79-528,
4 79-611, 79-703, 79-1005.01, 79-1007.13, 79-1007.18, 79-1008.02,
5 79-1009, 79-1022, 79-1024, 79-1033, 79-1036, 79-1041, 79-1073,
6 79-1075, 79-1083, 79-1084, 79-1086, 79-10,120, 79-10,126,
7 79-10,126.01, 79-1140, 79-11,155, 79-1241.03, 79-1245, 79-2104,
8 79-2104.01, 79-2104.02, 79-2104.03, 79-2111, and 79-2117, Reissue
9 Revised Statutes of Nebraska, sections 13-508, 32-546.01, 32-604,
10 43-2515, 70-651.04, 77-1704.01, and 77-1736.06, Revised Statutes
11 Cumulative Supplement, 2014, and sections 9-812, 13-511, 77-3442,
12 79-215, 79-1001, 79-1003, 79-1007.11, 79-1017.01, 79-1018.01, and
13 79-2110, Revised Statutes Supplement, 2015; to adopt, change, and
14 eliminate provisions relating to lottery proceeds, budget
15 statements, property tax notices, levies, refunds, and
16 distributions, the enrollment option program, open enrollment,
17 accreditation standards, state aid, reorganization of school
18 districts, learning community coordinating councils, the student
19 achievement coordinator, community achievement plans, learning
20 communities, advisory committees, and powers and duties; to change
21 provisions relating to educational service units; to harmonize
22 provisions; to repeal the original sections; and to outright repeal

1 sections 79-1007.22, 79-1073.01, and 79-2107, Reissue Revised
2 Statutes of Nebraska.
3 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 9-812, Revised Statutes Supplement, 2015, is
2 amended to read:

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

16 (2) A portion of the dollar amount of the lottery tickets which have
17 been sold on an annualized basis shall be transferred from the State
18 Lottery Operation Trust Fund to the Education Innovation Fund, the
19 Nebraska Opportunity Grant Fund, the Nebraska Education Improvement Fund,
20 the Nebraska Environmental Trust Fund, the Nebraska State Fair Board, and
21 the Compulsive Gamblers Assistance Fund as provided in subsection (3) of
22 this section. The dollar amount transferred pursuant to this subsection
23 shall equal the greater of (a) the dollar amount transferred to the funds
24 in fiscal year 2002-03 or (b) any amount which constitutes at least
25 twenty-two percent and no more than twenty-five percent of the dollar
26 amount of the lottery tickets which have been sold on an annualized
27 basis. To the extent that funds are available, the Tax Commissioner and
28 director may authorize a transfer exceeding twenty-five percent of the
29 dollar amount of the lottery tickets sold on an annualized basis.

30 (3) Of the money available to be transferred to the Education
31 Innovation Fund, the Nebraska Opportunity Grant Fund, the Nebraska

1 Education Improvement Fund, the Nebraska Environmental Trust Fund, the
2 Nebraska State Fair Board, and the Compulsive Gamblers Assistance Fund:

3 (a) The first five hundred thousand dollars shall be transferred to
4 the Compulsive Gamblers Assistance Fund to be used as provided in section
5 9-1006;

6 (b) Beginning July 1, 2016, forty-four and one-half percent of the
7 money remaining after the payment of prizes and operating expenses and
8 the initial transfer to the Compulsive Gamblers Assistance Fund shall be
9 transferred to the Nebraska Education Improvement Fund;

10 (c) Through June 30, 2016, nineteen and three-fourths percent of the
11 money remaining after the payment of prizes and operating expenses and
12 the initial transfer to the Compulsive Gamblers Assistance Fund shall be
13 transferred to the Education Innovation Fund;

14 (d) Through June 30, 2016, twenty-four and three-fourths percent of
15 the money remaining after the payment of prizes and operating expenses
16 and the initial transfer to the Compulsive Gamblers Assistance Fund shall
17 be transferred to the Nebraska Opportunity Grant Fund;

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

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

1 of prizes and operating expenses and the initial transfer to the
2 Compulsive Gamblers Assistance Fund shall be transferred to the General
3 Fund; and

4 (g) One percent of the money remaining after the payment of prizes
5 and operating expenses and the initial transfer to the Compulsive
6 Gamblers Assistance Fund shall be transferred to the Compulsive Gamblers
7 Assistance Fund to be used as provided in section 9-1006.

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

11 (b) For fiscal year 2014-15, the Education Innovation Fund shall be
12 allocated, after administrative expenses, as follows: (i) The first one
13 million two hundred thousand dollars shall be transferred to the
14 Excellence in Teaching Cash Fund to fund the Excellence in Teaching Act;
15 (ii) the next allocation shall be distributed to local systems as grants
16 for approved accelerated or differentiated curriculum programs for
17 students identified as learners with high ability pursuant to section
18 79-1108.02 in an aggregated amount up to the amount distributed in the
19 prior fiscal year for such purposes increased by the basic allowable
20 growth rate pursuant to section 79-1025; (iii) the next one million eight
21 hundred fifty thousand dollars shall be allocated to early childhood
22 education grants awarded by the State Department of Education pursuant to
23 section 79-1103; (iv) the next one million dollars shall be transferred
24 to the Early Childhood Education Endowment Cash Fund for use pursuant to
25 section 79-1104.02; (v) the next two hundred thousand dollars shall be
26 used to provide grants to establish bridge programs pursuant to sections
27 79-1189 to 79-1195; (vi) the next ten thousand dollars shall be used to
28 fund the Interstate Compact on Educational Opportunity for Military
29 Children; (vii) the next two million dollars shall be allocated for
30 distance education equipment and incentives pursuant to sections 79-1336
31 and 79-1337; (viii) the next one million dollars shall be transferred to

1 the School District Reorganization Fund; (ix) up to the next one hundred
2 forty-five thousand dollars shall be used by the State Department of
3 Education to implement section 79-759; and (x) the next three hundred
4 thirty-five thousand dollars shall be allocated to local systems as
5 grants awarded by the State Department of Education to assist schools in
6 evaluating and improving career education programs to align such programs
7 with the state's economic and workforce needs. Except for funds
8 transferred to the School District Reorganization Fund, the Early
9 Childhood Education Endowment Cash Fund, or the department for early
10 childhood education grants pursuant to section 79-1103, no funds received
11 as allocations from the Education Innovation Fund pursuant to this
12 subdivision may be obligated for payment to be made after June 30, 2016,
13 and such funds received as transfers or allocations from the Education
14 Innovation Fund that have not been used for their designated purpose as
15 of such date shall be transferred to the Nebraska Education Improvement
16 Fund on or before August 1, 2016.

17 (c) For fiscal year 2015-16, the Education Innovation Fund shall be
18 allocated, after administrative expenses, as follows: (i) The first one
19 million two hundred thousand dollars shall be transferred to the
20 Excellence in Teaching Cash Fund to fund the Excellence in Teaching Act;
21 (ii) the next allocation 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 in an aggregated amount up to the amount distributed in the
25 prior fiscal year for such purposes increased by the basic allowable
26 growth rate pursuant to section 79-1025; (iii) the next one million nine
27 hundred fifty thousand dollars shall be allocated to early childhood
28 education grants awarded by the State Department of Education pursuant to
29 section 79-1103; (iv) the next one million dollars shall be transferred
30 to the Early Childhood Education Endowment Cash Fund for use pursuant to
31 section 79-1104.02; (v) the next ten thousand dollars shall be used to

1 fund the Interstate Compact on Educational Opportunity for Military
2 Children; (vi) the next two million five hundred thousand dollars shall
3 be allocated for distance education equipment and incentives pursuant to
4 sections 79-1336 and 79-1337; (vii) the next one million dollars shall be
5 transferred to the School District Reorganization Fund; (viii) up to the
6 next one hundred forty-five thousand dollars shall be used by the State
7 Department of Education to implement section 79-759; and (ix) of the
8 amount remaining, (A) three million dollars shall be retained in the
9 Education Innovation Fund to transfer to the Nebraska Education
10 Improvement Fund on June 30, 2016, and (B) the remaining amount shall be
11 allocated to local systems as grants awarded by the State Department of
12 Education to assist schools in evaluating and improving career education
13 programs to align such programs with the state's economic and workforce
14 needs. Except for funds transferred to the School District Reorganization
15 Fund, the Early Childhood Education Endowment Cash Fund, or the
16 department for early childhood education grants pursuant to section
17 79-1103, no funds received as allocations from the Education Innovation
18 Fund pursuant to this subdivision may be obligated for payment to be made
19 after June 30, 2016, and such funds received as transfers or allocations
20 from the Education Innovation Fund that have not been used for their
21 designated purpose as of such date shall be transferred to the Nebraska
22 Education Improvement Fund on or before August 1, 2016.

23 (d) The Education Innovation Fund terminates on June 30, 2016. Any
24 money in the fund on such date shall be transferred to the Nebraska
25 Education Improvement Fund on such date.

26 (5) The Nebraska Education Improvement Fund is created. The fund
27 shall consist of money transferred pursuant to subsections (3) and (4) of
28 this section, money transferred pursuant to section 85-1920, and any
29 other funds appropriated by the Legislature. The fund shall be allocated,
30 after actual and necessary administrative expenses, as provided in this
31 section for fiscal years 2016-17 through 2020-21. A portion of each

1 allocation may be retained by the agency to which the allocation is made
2 or the agency administering the fund to which the allocation is made for
3 actual and necessary expenses incurred by such agency for administration,
4 evaluation, and technical assistance related to the purposes of the
5 allocation, except that no amount of the allocation to the Nebraska
6 Opportunity Grant Fund may be used for such purposes. On or before
7 December 31, 2019, the Education Committee of the Legislature shall
8 electronically submit recommendations to the Clerk of the Legislature
9 regarding how the fund should be allocated to best advance the
10 educational priorities of the state for the five-year period beginning
11 with fiscal year 2021-22. For fiscal year 2016-17, an amount equal to ten
12 percent of the revenue allocated to the Education Innovation Fund and to
13 the Nebraska Opportunity Grant Fund for fiscal year 2015-16 shall be
14 retained in the Nebraska Education Improvement Fund. For fiscal years
15 2017-18 through 2020-21, an amount equal to ten percent of the revenue
16 received by the Nebraska Education Improvement Fund in the prior fiscal
17 year shall be retained in the fund. For fiscal years 2016-17 through
18 2020-21, the remainder of the fund, after payment of any learning
19 community transition aid pursuant to section 42 of this act, shall be
20 allocated as follows:

21 (a) One percent of the allocated funds to the Expanded Learning
22 Opportunity Grant Fund to carry out the Expanded Learning Opportunity
23 Grant Program Act;

24 (b) Seventeen percent of the allocated funds to the Department of
25 Education Innovative Grant Fund for competitive innovation grants
26 pursuant to section 79-1054;

27 (c) Nine percent of the allocated funds to the Community College Gap
28 Assistance Program Fund to carry out the community college gap assistance
29 program;

30 (d) Eight percent of the allocated funds to the Excellence in
31 Teaching Cash Fund to carry out the Excellence in Teaching Act;

1 (e) Sixty-two percent of the allocated funds to the Nebraska
2 Opportunity Grant Fund to carry out the Nebraska Opportunity Grant Act in
3 conjunction with appropriations from the General Fund; and

4 (f) Three percent of the allocated funds to fund distance education
5 incentives pursuant to section 79-1337.

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

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

17 Sec. 2. Section 13-508, Revised Statutes Cumulative Supplement,
18 2014, is amended to read:

19 13-508 (1) After publication and hearing thereon and within the time
20 prescribed by law, each governing body, except as provided in subsection
21 (3) of this section, shall file with and certify to the levying board or
22 boards on or before September 20 of each year or September 20 of the
23 final year of a biennial period and file with the auditor a copy of the
24 adopted budget statement which complies with sections 13-518 to 13-522 or
25 79-1023 to 79-1030, together with the amount of the tax required to fund
26 the adopted budget, setting out separately (a) the amount to be levied
27 for the payment of principal or interest on bonds issued by the governing
28 body and (b) the amount to be levied for all other purposes. Proof of
29 publication shall be attached to the statements. For fiscal years prior
30 to fiscal year 2017-18, learning Learning communities shall also file a
31 copy of such adopted budget statement with member school districts on or

1 before September 1 of each year. The governing body, in certifying the
2 amount required, may make allowance for delinquent taxes not exceeding
3 five percent of the amount required plus the actual percentage of
4 delinquent taxes for the preceding tax year or biennial period and for
5 the amount of estimated tax loss from any pending or anticipated
6 litigation which involves taxation and in which tax collections have been
7 or can be withheld or escrowed by court order. For purposes of this
8 section, anticipated litigation shall be limited to the anticipation of
9 an action being filed by a taxpayer who or which filed a similar action
10 for the preceding year or biennial period which is still pending. Except
11 for such allowances, a governing body shall not certify an amount of tax
12 more than one percent greater or lesser than the amount determined under
13 section 13-505.

14 (2) Each governing body shall use the certified taxable values as
15 provided by the county assessor pursuant to section 13-509 for the
16 current year in setting or certifying the levy. Each governing body may
17 designate one of its members to perform any duty or responsibility
18 required of such body by this section.

19 (3)(a) A Class I school district shall do the filing and
20 certification required by subsection (1) of this section on or before
21 August 1 of each year.

22 (b) For fiscal years prior to fiscal year 2017-18, learning
23 communities ~~A learning community~~ shall do such filing and certification
24 on or before September 1 of each year.

25 Sec. 3. Section 13-511, Revised Statutes Supplement, 2015, is
26 amended to read:

27 13-511 (1) Unless otherwise provided by law, whenever during the
28 current fiscal year or biennial period it becomes apparent to a governing
29 body that (a) there are circumstances which could not reasonably have
30 been anticipated at the time the budget for the current year or biennial
31 period was adopted, (b) the budget adopted violated sections 13-518 to

1 13-522, such that the revenue of the current fiscal year or biennial
2 period for any fund thereof will be insufficient, additional expenses
3 will be necessarily incurred, or there is a need to reduce the budget
4 requirements to comply with sections 13-518 to 13-522, or (c) the
5 governing body has been notified by the auditor of a mathematical or
6 accounting error or noncompliance with the Nebraska Budget Act, such
7 governing body may propose to revise the previously adopted budget
8 statement and shall conduct a public hearing on such proposal. The public
9 hearing requirement shall not apply to emergency expenditures pursuant to
10 section 81-829.51.

11 (2) Notice of the time and place of the hearing shall be published
12 at least five days prior to the date set for hearing in a newspaper of
13 general circulation within the governing body's jurisdiction. Such
14 published notice shall set forth (a) the time and place of the hearing,
15 (b) the amount in dollars of additional or reduced money required and for
16 what purpose, (c) a statement setting forth the nature of the
17 unanticipated circumstances and, if the budget requirements are to be
18 increased, the reasons why the previously adopted budget of expenditures
19 cannot be reduced during the remainder of the current year or biennial
20 period to meet the need for additional money in that manner, (d) a copy
21 of the summary of the originally adopted budget previously published, and
22 (e) a copy of the summary of the proposed revised budget.

23 (3) At such hearing any taxpayer may appear or file a written
24 statement protesting any application for additional money. A written
25 record shall be kept of all such hearings.

26 (4) Upon conclusion of the public hearing on the proposed revised
27 budget and approval of the proposed revised budget by the governing body,
28 the governing body shall file with the county clerk of the county or
29 counties in which such governing body is located, with the learning
30 community coordinating council for fiscal years prior to fiscal year
31 2017-18 for school districts that are members of learning communities,

1 and with the auditor, a copy of the revised budget, as adopted. The
2 governing body may then issue warrants in payment for expenditures
3 authorized by the adopted revised budget. Such warrants shall be referred
4 to as registered warrants and shall be repaid during the next fiscal year
5 or biennial period from funds derived from taxes levied therefor.

6 (5) Within thirty days after the adoption of the budget under
7 section 13-506, a governing body may, or within thirty days after
8 notification of an error by the auditor, a governing body shall, correct
9 an adopted budget which contains a clerical, mathematical, or accounting
10 error which does not affect the total amount budgeted by more than one
11 percent or increase the amount required from property taxes. No public
12 hearing shall be required for such a correction. After correction, the
13 governing body shall file a copy of the corrected budget with the county
14 clerk of the county or counties in which such governing body is located
15 and with the auditor. The governing body may then issue warrants in
16 payment for expenditures authorized by the budget.

17 Sec. 4. Section 32-546.01, Revised Statutes Cumulative Supplement,
18 2014, is amended to read:

19 32-546.01 (1) Each learning community shall be governed by a
20 learning community coordinating council. Through January 4, 2017, each
21 council shall consist ~~consisting~~ of eighteen voting members, with twelve
22 members elected on a nonpartisan ballot from six numbered subcouncil
23 districts created pursuant to section 32-555.01 and with six members
24 appointed from such subcouncil districts pursuant to this section.
25 Beginning January 5, 2017, each learning community coordinating council
26 shall consist of twelve members elected on a nonpartisan ballot from six
27 numbered subcouncil districts created pursuant to section 32-555.01.
28 Members elected at the general election in 2014 shall continue to serve
29 until the terms for which they were elected expire, and such members may
30 run for reelection. Each voter shall be allowed to cast votes for one
31 candidate at both the primary and general elections to represent the

1 subcouncil district in which the voter resides. The four candidates
2 receiving the most votes at the primary election shall advance to the
3 general election. The two candidates receiving the most votes at the
4 general election shall be elected. A candidate shall reside in the
5 subcouncil district for which he or she is a candidate. Coordinating
6 council members shall be elected on the nonpartisan ballot.

7 (2) The initial elected members shall be nominated at the statewide
8 primary election and elected at the statewide general election
9 immediately following the certification of the establishment of the
10 learning community, and subsequent members shall be nominated at
11 subsequent statewide primary elections and elected at subsequent
12 statewide general elections. Except as provided in this section, such
13 elections shall be conducted pursuant to the Election Act.

14 (3) Vacancies in office for elected members shall occur as set forth
15 in section 32-560. Whenever any such vacancy occurs, the remaining
16 elected members of such council shall appoint an individual residing
17 within the geographical boundaries of the subcouncil district for the
18 balance of the unexpired term.

19 (4) Members elected to represent odd-numbered districts in the first
20 election for the learning community coordinating council shall be elected
21 for two-year terms. Members elected to represent even-numbered districts
22 in the first election for the learning community coordinating council
23 shall be elected for four-year terms. Members elected in subsequent
24 elections shall be elected for four-year terms and until their successors
25 are elected and qualified.

26 (5) The appointed members shall be appointed in November of each
27 even-numbered year through 2014 after the general election. Appointed
28 members shall be school board members of school districts in the learning
29 community either elected to take office the following January or
30 continuing their current term of office for the following two years. For
31 learning communities to be established prior to the effective date of

1 ~~this act the following~~ January pursuant to orders issued pursuant to
2 section 79-2102, the Secretary of State shall hold a meeting of the
3 school board members of the school districts in such learning community
4 to appoint one member from such school boards to represent each of the
5 subcouncil districts on the coordinating council of such learning
6 community. For subsequent appointments, the current appointed members of
7 the coordinating council shall hold a meeting of the school board members
8 of such school districts to appoint one member from such school boards to
9 represent each of the subcouncil districts on the coordinating council of
10 the learning community. The appointed members shall be selected by the
11 school board members of the school districts in the learning community
12 who reside in the subcouncil district to be represented pursuant to a
13 secret ballot, shall reside in the subcouncil district to be represented,
14 and shall be appointed for two-year terms and until their successors are
15 appointed and qualified.

16 (6) Vacancies in office for appointed members shall occur upon the
17 resignation, death, or disqualification from office of an appointed
18 member. Disqualification from office shall include ceasing membership on
19 the school board for which membership qualified the member for the
20 appointment to the learning community coordinating council or ceasing to
21 reside in the subcouncil district represented by such member of the
22 learning community coordinating council. Whenever such vacancy occurs,
23 the remaining appointed members shall hold a meeting of the school board
24 members of the school districts in such learning community to appoint a
25 member from such school boards who lives in the subcouncil district to be
26 represented to serve for the balance of the unexpired term.

27 (7) Through January 4, 2017, each ~~Each~~ learning community
28 coordinating council shall also have a nonvoting member from each member
29 school district which does not have either an elected or an appointed
30 member who resides in the school district on the council. Such nonvoting
31 members shall be appointed by the school board of the school district to

1 be represented to serve for two-year terms, and notice of the nonvoting
2 member selected shall be submitted to the Secretary of State by such
3 board prior to December 31 of each even-numbered year through 2014. Each
4 such nonvoting member shall be a resident of the appointing school
5 district and shall not be a school administrator employed by such school
6 district. Whenever a vacancy occurs, the school board of such school
7 district shall appoint a new nonvoting member and submit notice to the
8 Secretary of State and to the learning community coordinating council.

9 (8) Members of a learning community coordinating council shall take
10 office on the first Thursday after the first Tuesday in January following
11 their election ~~or appointment~~, except that members appointed to fill
12 vacancies shall take office immediately following administration of the
13 oath of office. ~~Each voting member elected or appointed prior to April 6,~~
14 ~~2010, shall be paid a per diem in an amount determined by such council up~~
15 ~~to two hundred dollars per day for official meetings of the council and~~
16 ~~the achievement subcouncil for which he or she is a member, for meetings~~
17 ~~that occur during the term of office for which the election or~~
18 ~~appointment of the member took place prior to April 6, 2010, up to a~~
19 ~~maximum of twelve thousand dollars per fiscal year.~~ Each voting member
20 shall be eligible for reimbursement of reasonable expenses related to
21 service on the learning community coordinating council. Each nonvoting
22 member shall be eligible for reimbursement of reasonable expenses related
23 to service on the learning community coordinating council.

24 Sec. 5. Section 32-604, Revised Statutes Cumulative Supplement,
25 2014, is amended to read:

26 32-604 (1) Except as provided in subsection (2) or (4) of this
27 section, no person shall be precluded from being elected or appointed to
28 or holding an elective office for the reason that he or she has been
29 elected or appointed to or holds another elective office.

30 (2) No person serving as a member of the Legislature or in an
31 elective office described in Article IV, section 1 or 20, or Article VII,

1 section 3 or 10, of the Constitution of Nebraska shall simultaneously
2 serve in any other elective office, except that such a person may
3 simultaneously serve in another elective office which is filled at an
4 election held in conjunction with the annual meeting of a public body.

5 (3) Whenever an incumbent serving as a member of the Legislature or
6 in an elective office described in Article IV, section 1 or 20, or
7 Article VII, section 3 or 10, of the Constitution of Nebraska assumes
8 another elective office, except an elective office filled at an election
9 held in conjunction with the annual meeting of a public body, the office
10 first held by the incumbent shall be deemed vacant.

11 (4) No person serving in a high elective office shall simultaneously
12 serve in any other high elective office, except that a county attorney
13 may serve as the county attorney for more than one county if appointed
14 under subsection (2) of section 23-1201.01.

15 (5) Notwithstanding subsection (4) of this section, any person
16 holding more than one high elective office upon July 15, 2010, shall be
17 entitled to serve the remainder of all terms for which he or she was
18 elected or appointed.

19 (6) For purposes of this section, (a) elective office has the
20 meaning found in section 32-109 and includes an office which is filled at
21 an election held in conjunction with the annual meeting of a public body
22 created by an act of the Legislature but does not include a member of a
23 learning community coordinating council appointed pursuant to subsection
24 (5) or (7) of section 32-546.01 prior to January 5, 2017, and (b) high
25 elective office means a member of the Legislature, an elective office
26 described in Article IV, section 1 or 20, or Article VII, section 3 or
27 10, of the Constitution of Nebraska, or a county, city, community college
28 area, learning community, or school district elective office.

29 Sec. 6. Section 43-2515, Revised Statutes Cumulative Supplement,
30 2014, is amended to read:

31 43-2515 For years 1993 through 2015, on or before October 1, the

1 Department of Health and Human Services and the State Department of
2 Education shall jointly certify to the budget administrator of the budget
3 division of the Department of Administrative Services the amount of
4 federal medicaid funds paid to school districts pursuant to the Early
5 Intervention Act for special education services for children five years
6 of age and older for the immediately preceding fiscal year. The General
7 Fund appropriation to the State Department of Education for state special
8 education aid for the then-current fiscal year shall be decreased by an
9 amount equal to the amount that would have been reimbursed with state
10 general funds to the school districts through the special education
11 reimbursement process for special education services for children five
12 years of age and older that was paid to school districts or approved
13 cooperatives with federal medicaid funds.

14 For fiscal years through fiscal year 2015-16, it is the intent of
15 the Legislature that an amount equal to the amount that would have been
16 reimbursed with state general funds to the school districts, certified to
17 the budget administrator, be appropriated from the General Fund to aid in
18 carrying out the provisions of the Early Intervention Act and other
19 related early intervention services.

20 For 2015 and each year thereafter, on or before December 1, the
21 Department of Health and Human Services and the State Department of
22 Education shall jointly certify to the budget administrator of the budget
23 division of the Department of Administrative Services the aggregate
24 amount to be included in the local system formula resources pursuant to
25 subdivision (~~15~~ 16) of section 79-1018.01 for all local systems for aid
26 to be calculated pursuant to the Tax Equity and Educational Opportunities
27 Support Act for the next school fiscal year.

28 For fiscal year 2016-17 and each fiscal year thereafter, it is the
29 intent of the Legislature that, in addition to other state and federal
30 funds used to carry out the Early Intervention Act, funds equal to the
31 lesser of the amount certified to the budget administrator or the amount

1 appropriated or transferred for such purposes pursuant to this section
2 for the immediately preceding fiscal year increased by five percent be
3 appropriated from the General Fund to aid in carrying out the provisions
4 of the Early Intervention Act and other related early intervention
5 services.

6 Sec. 7. Section 70-651.04, Revised Statutes Cumulative Supplement,
7 2014, is amended to read:

8 70-651.04 All payments which are based on retail revenue from each
9 incorporated city or village shall be divided and distributed by the
10 county treasurer to that city or village, to the school districts located
11 in that city or village, to any learning community located in that city
12 or village for payments distributed prior to September 1, 2017, and to
13 the county in which may be located any such incorporated city or village
14 in the proportion that their respective property tax levies in the
15 preceding year bore to the total of such levies, except that the only
16 learning community levies to be included are the common levies for which
17 the proceeds are distributed to member school districts pursuant to
18 section 79-1073 ~~sections 79-1073 and 79-1073.01~~.

19 Sec. 8. Section 77-1704.01, Revised Statutes Cumulative Supplement,
20 2014, is amended to read:

21 77-1704.01 (1) The county treasurer shall include with each tax
22 notice to every taxpayer and with each receipt provided to a taxpayer the
23 following information:

24 (a) The total amount of aid from state sources appropriated to the
25 county and each city, village, and school district in the county;

26 (b) The net amount of property taxes to be levied by the county and
27 each city, village, school district, and learning community in the
28 county; ~~and~~

29 (c) For real property, the amount of taxes reflected on the
30 statement that are levied by the county, city, village, school district,
31 learning community, and other subdivisions for the tax year and for the

1 immediately past year on the same parcel; and -

2 (d) For taxes levied for fiscal year 2017-18 on real property within
3 a learning community, statements explaining that the school district
4 levies for learning community member districts are increasing, in part,
5 as a result of the expiration of the learning community common levies,
6 the proceeds of which were distributed directly to school districts, and
7 that the remaining learning community levies fund activities of the
8 learning community.

9 (2) The necessary form for furnishing the information required by
10 subdivisions (1)(a), ~~and (b)~~, and (d) of this section shall be prescribed
11 by the Department of Revenue. The necessary information required by
12 subdivision (1)(a) of this section shall be furnished to the county
13 treasurer by the Department of Revenue prior to October 1 of each year.
14 The form prescribed by the Department of Revenue shall contain the
15 following statement:

16 THE AMOUNT OF STATE FUNDS SHOWN ABOVE WOULD HAVE BEEN ADDITIONAL
17 PROPERTY TAXES IF NOT ALLOCATED TO THE COUNTY, CITY, VILLAGE, AND SCHOOL
18 DISTRICT BY THE LEGISLATURE.

19 Sec. 9. Section 77-1736.06, Revised Statutes Cumulative Supplement,
20 2014, is amended to read:

21 77-1736.06 The following procedure shall apply when making a
22 property tax refund:

23 (1) Within thirty days of the entry of a final nonappealable order,
24 an unprotested determination of a county assessor, an unappealed decision
25 of a county board of equalization, or other final action requiring a
26 refund of real or personal property taxes paid or, for property valued by
27 the state, within thirty days of a recertification of value by the
28 Property Tax Administrator pursuant to section 77-1775 or 77-1775.01, the
29 county assessor shall determine the amount of refund due the person
30 entitled to the refund, certify that amount to the county treasurer, and
31 send a copy of such certification to the person entitled to the refund.

1 Within thirty days from the date the county assessor certifies the amount
2 of the refund, the county treasurer shall notify each political
3 subdivision, including any school district receiving a distribution
4 pursuant to section 79-1073 or ~~79-1073.01~~ and any land bank receiving
5 real property taxes pursuant to subdivision (3)(a) of section 19-5211, of
6 its respective share of the refund, except that for any political
7 subdivision whose share of the refund is two hundred dollars or less, the
8 county board may waive this notice requirement. Notification shall be by
9 first-class mail, postage prepaid, to the last-known address of record of
10 the political subdivision. The county treasurer shall pay the refund from
11 funds in his or her possession belonging to any political subdivision,
12 including any school district receiving a distribution pursuant to
13 section 79-1073 or ~~79-1073.01~~ and any land bank receiving real property
14 taxes pursuant to subdivision (3)(a) of section 19-5211, which received
15 any part of the tax or penalty being refunded. If sufficient funds are
16 not available or the political subdivision, within thirty days of the
17 mailing of the notice by the county treasurer if applicable, certifies to
18 the county treasurer that a hardship would result and create a serious
19 interference with its governmental functions if the refund of the tax or
20 penalty is paid, the county treasurer shall register the refund or
21 portion thereof which remains unpaid as a claim against such political
22 subdivision and shall issue the person entitled to the refund a receipt
23 for the registration of the claim. The certification by a political
24 subdivision declaring a hardship shall be binding upon the county
25 treasurer;

26 (2) The refund of a tax or penalty or the receipt for the
27 registration of a claim made or issued pursuant to this section shall be
28 satisfied in full as soon as practicable and in no event later than five
29 years from the date the final order or other action approving a refund is
30 entered. The governing body of the political subdivision shall make
31 provisions in its budget for the amount of any refund or claim to be

1 satisfied pursuant to this section. If a receipt for the registration of
2 a claim is given:

3 (a) Such receipt shall be applied to satisfy any tax levied or
4 assessed by that political subdivision next falling due from the person
5 holding the receipt after the sixth next succeeding levy is made on
6 behalf of the political subdivision following the final order or other
7 action approving the refund; and

8 (b) To the extent the amount of such receipt exceeds the amount of
9 such tax liability, the unsatisfied balance of the receipt shall be paid
10 and satisfied within the five-year period prescribed in this subdivision
11 from a combination of a credit against taxes anticipated to be due to the
12 political subdivision during such period and cash payment from any funds
13 expected to accrue to the political subdivision pursuant to a written
14 plan to be filed by the political subdivision with the county treasurer
15 no later than thirty days after the claim against the political
16 subdivision is first reduced by operation of a credit against taxes due
17 to such political subdivision.

18 If a political subdivision fails to fully satisfy the refund or
19 claim prior to the sixth next succeeding levy following the entry of a
20 final nonappealable order or other action approving a refund, interest
21 shall accrue on the unpaid balance commencing on the sixth next
22 succeeding levy following such entry or action at the rate set forth in
23 section 45-103;

24 (3) The county treasurer shall mail the refund or the receipt by
25 first-class mail, postage prepaid, to the last-known address of the
26 person entitled thereto. Multiple refunds to the same person may be
27 combined into one refund or credit. If a refund is not claimed by June 1
28 of the year following the year of mailing, the refund shall be canceled
29 and the resultant amount credited to the various funds originally
30 charged;

31 (4) When the refund involves property valued by the state, the Tax

1 Commissioner shall be authorized to negotiate a settlement of the amount
2 of the refund or claim due pursuant to this section on behalf of the
3 political subdivision from which such refund or claim is due. Any
4 political subdivision which does not agree with the settlement terms as
5 negotiated may reject such terms, and the refund or claim due from the
6 political subdivision then shall be satisfied as set forth in this
7 section as if no such negotiation had occurred;

8 (5) In the event that the Legislature appropriates state funds to be
9 disbursed for the purposes of satisfying all or any portion of any refund
10 or claim, the Tax Commissioner shall order the county treasurer to
11 disburse such refund amounts directly to the persons entitled to the
12 refund in partial or total satisfaction of such persons' claims. The
13 county treasurer shall disburse such amounts within forty-five days after
14 receipt thereof; and

15 (6) If all or any portion of the refund is reduced by way of
16 settlement or forgiveness by the person entitled to the refund, the
17 proportionate amount of the refund that was paid by an appropriation of
18 state funds shall be reimbursed by the county treasurer to the State
19 Treasurer within forty-five days after receipt of the settlement
20 agreement or receipt of the forgiven refund. The amount so reimbursed
21 shall be credited to the General Fund.

22 Sec. 10. Section 77-3442, Revised Statutes Supplement, 2015, is
23 amended to read:

24 77-3442 (1) Property tax levies for the support of local governments
25 for fiscal years beginning on or after July 1, 1998, shall be limited to
26 the amounts set forth in this section except as provided in section
27 77-3444.

28 (2)(a) Except as provided in subdivisions (2)(b) and subdivision (2)
29 (e) of this section, school districts and multiple-district school
30 systems, ~~except learning communities and school districts that are~~
31 ~~members of learning communities,~~ may levy a maximum levy of one dollar

1 and five cents per one hundred dollars of taxable valuation of property
2 subject to the levy.

3 (b) For each fiscal year prior to fiscal year 2017-18, learning
4 communities may levy a maximum levy for the general fund budgets of
5 member school districts of ninety-five cents per one hundred dollars of
6 taxable valuation of property subject to the levy. The proceeds from the
7 levy pursuant to this subdivision shall be distributed pursuant to
8 section 79-1073.

9 (c) Except as provided in subdivision (2)(e) of this section, for
10 each fiscal year prior to fiscal year 2017-18, school districts that are
11 members of learning communities may levy for purposes of such districts'
12 general fund budget and special building funds a maximum combined levy of
13 the difference of one dollar and five cents on each one hundred dollars
14 of taxable property subject to the levy minus the learning community levy
15 ~~levies~~ pursuant to subdivision (2)(b) ~~subdivisions (2)(b) and (2)(g)~~ of
16 this section for such learning community.

17 (d) Excluded from the limitations in subdivisions (2)(a) and (2)(c)
18 of this section are amounts levied to pay for sums agreed to be paid by a
19 school district to certificated employees in exchange for a voluntary
20 termination of employment and amounts levied to pay for special building
21 funds and sinking funds established for projects commenced prior to April
22 1, 1996, for construction, expansion, or alteration of school district
23 buildings. For purposes of this subsection, commenced means any action
24 taken by the school board on the record which commits the board to expend
25 district funds in planning, constructing, or carrying out the project.

26 (e) Federal aid school districts may exceed the maximum levy
27 prescribed by subdivision (2)(a) or (2)(c) of this section only to the
28 extent necessary to qualify to receive federal aid pursuant to Title VIII
29 of Public Law 103-382, as such title existed on September 1, 2001. For
30 purposes of this subdivision, federal aid school district means any
31 school district which receives ten percent or more of the revenue for its

1 general fund budget from federal government sources pursuant to Title
2 VIII of Public Law 103-382, as such title existed on September 1, 2001.

3 ~~(f) For school fiscal year 2002-03 through school fiscal year~~
4 ~~2007-08, school districts and multiple-district school systems may, upon~~
5 ~~a three-fourths majority vote of the school board of the school district,~~
6 ~~the board of the unified system, or the school board of the high school~~
7 ~~district of the multiple-district school system that is not a unified~~
8 ~~system, exceed the maximum levy prescribed by subdivision (2)(a) of this~~
9 ~~section in an amount equal to the net difference between the amount of~~
10 ~~state aid that would have been provided under the Tax Equity and~~
11 ~~Educational Opportunities Support Act without the temporary aid~~
12 ~~adjustment factor as defined in section 79-1003 for the ensuing school~~
13 ~~fiscal year for the school district or multiple-district school system~~
14 ~~and the amount provided with the temporary aid adjustment factor. The~~
15 ~~State Department of Education shall certify to the school districts and~~
16 ~~multiple-district school systems the amount by which the maximum levy may~~
17 ~~be exceeded for the next school fiscal year pursuant to this subdivision~~
18 ~~(f) of this subsection on or before February 15 for school fiscal years~~
19 ~~2004-05 through 2007-08.~~

20 ~~(g) For each fiscal year, learning communities may levy a maximum~~
21 ~~levy of two cents on each one hundred dollars of taxable property subject~~
22 ~~to the levy for special building funds for member school districts. The~~
23 ~~proceeds from the levy pursuant to this subdivision shall be distributed~~
24 ~~pursuant to section 79-1073.01.~~

25 ~~(f h) For each fiscal year, learning communities may levy a maximum~~
26 ~~levy of one-half cent on each one hundred dollars of taxable property~~
27 ~~subject to the levy for elementary learning center facility leases, for~~
28 ~~remodeling of leased elementary learning center facilities, and for up to~~
29 ~~fifty percent of the estimated cost for focus school or program capital~~
30 ~~projects approved by the learning community coordinating council pursuant~~
31 ~~to section 79-2111.~~

1 (g ±) For each fiscal year, learning communities may levy a maximum
2 levy of one and one-half cents on each one hundred dollars of taxable
3 property subject to the levy for early childhood education programs for
4 children in poverty, for elementary learning center employees, for
5 contracts with other entities or individuals who are not employees of the
6 learning community for elementary learning center programs and services,
7 and for pilot projects, except that no more than ten percent of such levy
8 may be used for elementary learning center employees.

9 (3)(a) For fiscal years 2011-12 and 2012-13, community college areas
10 may levy a maximum of ten and one-quarter cents per one hundred dollars
11 of taxable valuation of property subject to the levy for operating
12 expenditures and may also levy the additional levies provided in
13 subdivisions (1)(b) and (c) of section 85-1517.

14 (b) For fiscal year 2013-14 and each fiscal year thereafter,
15 community college areas may levy the levies provided in subdivisions (2)
16 (a) through (c) of section 85-1517, in accordance with the provisions of
17 such subdivisions. A community college area may exceed the levy provided
18 in subdivision (2)(b) of section 85-1517 by the amount necessary to
19 retire general obligation bonds assumed by the community college area or
20 issued pursuant to section 85-1515 according to the terms of such bonds
21 or for any obligation pursuant to section 85-1535 entered into prior to
22 January 1, 1997.

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

26 (b) Natural resources districts shall also have the power and
27 authority to levy a tax equal to the dollar amount by which their
28 restricted funds budgeted to administer and implement ground water
29 management activities and integrated management activities under the
30 Nebraska Ground Water Management and Protection Act exceed their
31 restricted funds budgeted to administer and implement ground water

1 management activities and integrated management activities for FY2003-04,
2 not to exceed one cent on each one hundred dollars of taxable valuation
3 annually on all of the taxable property within the district.

4 (c) In addition, natural resources districts located in a river
5 basin, subbasin, or reach that has been determined to be fully
6 appropriated pursuant to section 46-714 or designated as overappropriated
7 pursuant to section 46-713 by the Department of Natural Resources shall
8 also have the power and authority to levy a tax equal to the dollar
9 amount by which their restricted funds budgeted to administer and
10 implement ground water management activities and integrated management
11 activities under the Nebraska Ground Water Management and Protection Act
12 exceed their restricted funds budgeted to administer and implement ground
13 water management activities and integrated management activities for
14 FY2005-06, not to exceed three cents on each one hundred dollars of
15 taxable valuation on all of the taxable property within the district for
16 fiscal year 2006-07 and each fiscal year thereafter through fiscal year
17 2017-18.

18 (5) Any educational service unit authorized to levy a property tax
19 pursuant to section 79-1225 may levy a maximum levy of one and one-half
20 cents per one hundred dollars of taxable valuation of property subject to
21 the levy.

22 (6)(a) Incorporated cities and villages which are not within the
23 boundaries of a municipal county may levy a maximum levy of forty-five
24 cents per one hundred dollars of taxable valuation of property subject to
25 the levy plus an additional five cents per one hundred dollars of taxable
26 valuation to provide financing for the municipality's share of revenue
27 required under an agreement or agreements executed pursuant to the
28 Interlocal Cooperation Act or the Joint Public Agency Act. The maximum
29 levy shall include amounts levied to pay for sums to support a library
30 pursuant to section 51-201, museum pursuant to section 51-501, visiting
31 community nurse, home health nurse, or home health agency pursuant to

1 section 71-1637, or statue, memorial, or monument pursuant to section
2 80-202.

3 (b) Incorporated cities and villages which are within the boundaries
4 of a municipal county may levy a maximum levy of ninety cents per one
5 hundred dollars of taxable valuation of property subject to the levy. The
6 maximum levy shall include amounts paid to a municipal county for county
7 services, amounts levied to pay for sums to support a library pursuant to
8 section 51-201, a museum pursuant to section 51-501, a visiting community
9 nurse, home health nurse, or home health agency pursuant to section
10 71-1637, or a statue, memorial, or monument pursuant to section 80-202.

11 (7) Sanitary and improvement districts which have been in existence
12 for more than five years may levy a maximum levy of forty cents per one
13 hundred dollars of taxable valuation of property subject to the levy, and
14 sanitary and improvement districts which have been in existence for five
15 years or less shall not have a maximum levy. Unconsolidated sanitary and
16 improvement districts which have been in existence for more than five
17 years and are located in a municipal county may levy a maximum of eighty-
18 five cents per hundred dollars of taxable valuation of property subject
19 to the levy.

20 (8) Counties may levy or authorize a maximum levy of fifty cents per
21 one hundred dollars of taxable valuation of property subject to the levy,
22 except that five cents per one hundred dollars of taxable valuation of
23 property subject to the levy may only be levied to provide financing for
24 the county's share of revenue required under an agreement or agreements
25 executed pursuant to the Interlocal Cooperation Act or the Joint Public
26 Agency Act. The maximum levy shall include amounts levied to pay for sums
27 to support a library pursuant to section 51-201 or museum pursuant to
28 section 51-501. The county may allocate up to fifteen cents of its
29 authority to other political subdivisions subject to allocation of
30 property tax authority under subsection (1) of section 77-3443 and not
31 specifically covered in this section to levy taxes as authorized by law

1 which do not collectively exceed fifteen cents per one hundred dollars of
2 taxable valuation on any parcel or item of taxable property. The county
3 may allocate to one or more other political subdivisions subject to
4 allocation of property tax authority by the county under subsection (1)
5 of section 77-3443 some or all of the county's five cents per one hundred
6 dollars of valuation authorized for support of an agreement or agreements
7 to be levied by the political subdivision for the purpose of supporting
8 that political subdivision's share of revenue required under an agreement
9 or agreements executed pursuant to the Interlocal Cooperation Act or the
10 Joint Public Agency Act. If an allocation by a county would cause another
11 county to exceed its levy authority under this section, the second county
12 may exceed the levy authority in order to levy the amount allocated.

13 (9) Municipal counties may levy or authorize a maximum levy of one
14 dollar per one hundred dollars of taxable valuation of property subject
15 to the levy. The municipal county may allocate levy authority to any
16 political subdivision or entity subject to allocation under section
17 77-3443.

18 (10) Rural and suburban fire protection districts may levy a maximum
19 levy of ten and one-half cents per one hundred dollars of taxable
20 valuation of property subject to the levy if (a) such district is located
21 in a county that had a levy pursuant to subsection (8) of this section in
22 the previous year of at least forty cents per one hundred dollars of
23 taxable valuation of property subject to the levy or (b) for any rural or
24 suburban fire protection district that had a levy request pursuant to
25 section 77-3443 in the previous year, the county board of the county in
26 which the greatest portion of the valuation of such district is located
27 did not authorize any levy authority to such district in the previous
28 year.

29 (11) Property tax levies (a) for judgments, except judgments or
30 orders from the Commission of Industrial Relations, obtained against a
31 political subdivision which require or obligate a political subdivision

1 to pay such judgment, to the extent such judgment is not paid by
2 liability insurance coverage of a political subdivision, (b) for
3 preexisting lease-purchase contracts approved prior to July 1, 1998, (c)
4 for bonds as defined in section 10-134 approved according to law and
5 secured by a levy on property except as provided in section 44-4317 for
6 bonded indebtedness issued by educational service units and school
7 districts, and (d) for payments by a public airport to retire interest-
8 free loans from the Department of Aeronautics in lieu of bonded
9 indebtedness at a lower cost to the public airport are not included in
10 the levy limits established by this section.

11 (12) The limitations on tax levies provided in this section are to
12 include all other general or special levies provided by law.
13 Notwithstanding other provisions of law, the only exceptions to the
14 limits in this section are those provided by or authorized by sections
15 77-3442 to 77-3444.

16 (13) Tax levies in excess of the limitations in this section shall
17 be considered unauthorized levies under section 77-1606 unless approved
18 under section 77-3444.

19 (14) For purposes of sections 77-3442 to 77-3444, political
20 subdivision means a political subdivision of this state and a county
21 agricultural society.

22 (15) For school districts that file a binding resolution on or
23 before May 9, 2008, with the county assessors, county clerks, and county
24 treasurers for all counties in which the school district has territory
25 pursuant to subsection (7) of section 79-458, if the combined levies,
26 except levies for bonded indebtedness approved by the voters of the
27 school district and levies for the refinancing of such bonded
28 indebtedness, are in excess of the greater of (a) one dollar and twenty
29 cents per one hundred dollars of taxable valuation of property subject to
30 the levy or (b) the maximum levy authorized by a vote pursuant to section
31 77-3444, all school district levies, except levies for bonded

1 indebtedness approved by the voters of the school district and levies for
2 the refinancing of such bonded indebtedness, shall be considered
3 unauthorized levies under section 77-1606.

4 Sec. 11. Section 79-215, Revised Statutes Supplement, 2015, is
5 amended to read:

6 79-215 (1) Except as otherwise provided in this section, a student
7 is a resident of the school district where he or she resides and shall be
8 admitted to any such school district upon request without charge.

9 (2) A school board shall admit a student upon request without charge
10 if at least one of the student's parents resides in the school district.

11 (3) A school board shall admit any homeless student upon request
12 without charge if the district is the district in which the student (a)
13 is currently located, (b) attended when permanently housed, or (c) was
14 last enrolled.

15 (4) A school board may allow a student whose residency in the
16 district ceases during a school year to continue attending school in such
17 district for the remainder of that school year.

18 (5) A school board may admit nonresident students to the school
19 district pursuant to a contract with the district where the student is a
20 resident and shall collect tuition pursuant to the contract.

21 (6) A school board may admit nonresident students to the school
22 district pursuant to the enrollment option program as authorized by
23 sections 79-232 to 79-246 and section 15 of this act, and such admission
24 shall be without charge.

25 (7) For school years prior to school year 2017-18, a A school board
26 of any school district that is a member of a learning community shall
27 admit nonresident students to the school district pursuant to the open
28 enrollment provisions of a diversity plan in a learning community as
29 authorized by section 79-2110, and such admission shall be without
30 charge.

31 (8) A school board may admit a student who is a resident of another

1 state to the school district and collect tuition in advance at a rate
2 determined by the school board.

3 (9) When a student as a ward of the state or as a ward of any court
4 (a) has been placed in a school district other than the district in which
5 he or she resided at the time he or she became a ward and such ward does
6 not reside in a foster family home licensed or approved by the Department
7 of Health and Human Services or a foster home maintained or used pursuant
8 to section 83-108.04 or (b) has been placed in any institution which
9 maintains a special education program which has been approved by the
10 State Department of Education and such institution is not owned or
11 operated by the district in which he or she resided at the time he or she
12 became a ward, the cost of his or her education and the required
13 transportation costs associated with the student's education shall be
14 paid by the state, but not in advance, to the receiving school district
15 or approved institution under rules and regulations prescribed by the
16 Department of Health and Human Services and the student shall remain a
17 resident of the district in which he or she resided at the time he or she
18 became a ward. Any student who is a ward of the state or a ward of any
19 court who resides in a foster family home licensed or approved by the
20 Department of Health and Human Services or a foster home maintained or
21 used pursuant to section 83-108.04 shall be deemed a resident of the
22 district in which he or she resided at the time he or she became a foster
23 child, unless it is determined under section 43-1311 or 43-1312 that he
24 or she will not attend such district in which case he or she shall be
25 deemed a resident of the district in which the foster family home or
26 foster home is located.

27 (10)(a) When a student is not a ward of the state or a ward of any
28 court and is residing in a residential setting located in Nebraska for
29 reasons other than to receive an education and the residential setting is
30 operated by a service provider which is certified or licensed by the
31 Department of Health and Human Services or is enrolled in the medical

1 assistance program established pursuant to the Medical Assistance Act and
2 Title XIX or XXI of the federal Social Security Act, as amended, the
3 student shall remain a resident of the district in which he or she
4 resided immediately prior to residing in such residential setting. The
5 resident district for a student who is not a ward of the state or a ward
6 of any court does not change when the student moves from one residential
7 setting to another.

8 (b) If a student is residing in a residential setting as described
9 in subdivision (10)(a) of this section and such residential setting does
10 not maintain an interim-program school as defined in section 79-1119.01
11 or an approved or accredited school, the resident school district shall
12 contract with the district in which such residential setting is located
13 for the provision of all educational services, including all special
14 education services and support services as defined in section 79-1125.01,
15 unless a parent or guardian and the resident school district agree that
16 an appropriate education will be provided by the resident school district
17 while the student is residing in such residential setting. If the
18 resident school district is required to contract, the district in which
19 such residential setting is located shall contract with the resident
20 district and provide all educational services, including all special
21 education services, to the student. If the two districts cannot agree on
22 the amount of the contract, the State Department of Education shall
23 determine the amount to be paid by the resident district to the district
24 in which such residential setting is located based on the needs of the
25 student, approved special education rates, the department's general
26 experience with special education budgets, and the cost per student in
27 the district in which such residential setting is located. Once the
28 contract has been entered into, all legal responsibility for special
29 education and related services shall be transferred to the school
30 district in which the residential setting is located.

31 (c) If a student is residing in a residential setting as described

1 in subdivision (10)(a) of this section and such residential setting
2 maintains an interim-program school as defined in section 79-1119.01 or
3 an approved or accredited school, the department shall reimburse such
4 residential setting for the provision of all educational services,
5 including all special education services and support services, with the
6 amount of payment for all educational services determined pursuant to the
7 average per pupil cost of the service agency as defined in section
8 79-1116. The resident school district shall retain responsibility for
9 such student's individualized education plan, if any. The educational
10 services may be provided through (i) such interim-program school or
11 approved or accredited school, (ii) a contract between the residential
12 setting and the school district in which such residential setting is
13 located, (iii) a contract between the residential setting and another
14 service agency as defined in section 79-1124, or (iv) a combination of
15 such educational service providers.

16 (d) If a school district pays a school district in which a
17 residential setting is located for educational services provided pursuant
18 to subdivision (10)(b) of this section and it is later determined that a
19 different school district was the resident school district for such
20 student at the time such educational services were provided, the school
21 district that was later determined to be the resident school district
22 shall reimburse the school district that initially paid for the
23 educational services one hundred ten percent of the amount paid.

24 (e) A student residing in a residential setting described in this
25 subsection shall be defined as a student with a handicap pursuant to
26 Article VII, section 11, of the Constitution of Nebraska, and as such the
27 state and any political subdivision may contract with institutions not
28 wholly owned or controlled by the state or any political subdivision to
29 provide the educational services to the student if such educational
30 services are nonsectarian in nature.

31 (11) In the case of any individual eighteen years of age or younger

1 who is a ward of the state or any court and who is placed in a county
2 detention home established under section 43-2,110, the cost of his or her
3 education shall be paid by the state, regardless of the district in which
4 he or she resided at the time he or she became a ward, to the agency or
5 institution which: (a) Is selected by the county board with jurisdiction
6 over such detention home; (b) has agreed or contracted with such county
7 board to provide educational services; and (c) has been approved by the
8 State Department of Education pursuant to rules and regulations
9 prescribed by the State Board of Education.

10 (12) No tuition shall be charged for students who may be by law
11 allowed to attend the school without charge.

12 (13) On a form prescribed by the State Department of Education, an
13 adult with legal or actual charge or control of a student shall provide
14 the name of the student, the name of the adult with legal or actual
15 charge or control of the student, the address where the student is
16 residing, and the telephone number and address where the adult may
17 generally be reached during the school day. If the student is homeless or
18 if the adult does not have a telephone number and address where he or she
19 may generally be reached during the school day, those parts of the form
20 may be left blank and a box may be marked acknowledging that these are
21 the reasons these parts of the form were left blank. The adult with legal
22 or actual charge or control of the student shall also sign the form.

23 (14) The department may adopt and promulgate rules and regulations
24 to carry out the department's responsibilities under this section.

25 Sec. 12. Section 79-233, Reissue Revised Statutes of Nebraska, is
26 amended to read:

27 79-233 For purposes of sections 79-232 to 79-246 and section 15 of
28 this act:

29 (1) Enrollment option program means the program established in
30 section 79-234;

31 (2) Option school district means the public school district that an

1 option student chooses to attend instead of his or her resident school
2 district;

3 (3) Option student means a student that has chosen to attend an
4 option school district, including an open enrollment option student or a
5 student who resides in a learning community and began attendance as an
6 option student in an option school district in such learning community
7 prior to the end of the first full school year for which the option
8 school district will be a member of such learning community, but, for
9 school years prior to school year 2017-18, but not including a student
10 who resides in a learning community and who attends pursuant to section
11 79-2110 another school district in such learning community;

12 (4) Open enrollment option student means a student who resides in a
13 school district that is a member of a learning community, attended a
14 school building in another school district in such learning community as
15 an open enrollment student pursuant to section 79-2110, and attends such
16 school building as an option student pursuant to section 15 of this act;

17 (5 4) Resident school district means the public school district in
18 which a student resides or the school district in which the student is
19 admitted as a resident of the school district pursuant to section 79-215;
20 and

21 (6 5) Siblings means all children residing in the same household on
22 a permanent basis who have the same mother or father or who are
23 stepbrother or stepsister to each other.

24 Sec. 13. Section 79-234, Reissue Revised Statutes of Nebraska, is
25 amended to read:

26 79-234 (1) An enrollment option program is hereby established to
27 enable any kindergarten through twelfth grade Nebraska student to attend
28 a school in a Nebraska public school district in which the student does
29 not reside subject to the limitations prescribed in section 79-238. The
30 option shall be available only once to each student prior to graduation,
31 except that the option does not count toward such limitation if such

1 option meets, or met at the time of the option, one of the following
2 criteria: (a) The student relocates to a different resident school
3 district, (b) the option school district merges with another district,
4 (c) the option school district is a Class I district, (d) the student
5 will have completed either the grades offered in the school building
6 originally attended in the option school district or the grades
7 immediately preceding the lowest grade offered in the school building for
8 which a new option is sought, (e) the option would allow the student to
9 continue current enrollment in a school district, ~~or~~ (f) the option would
10 allow the student to enroll in a school district in which the student was
11 previously enrolled as a resident student, or (g) the student is an open
12 enrollment option student. Sections 79-232 to 79-246 and section 15 of
13 this act do not relieve a parent or guardian from the compulsory
14 attendance requirements in section 79-201.

15 (2) The program shall not apply to any student who resides in a
16 district which has entered into an annexation agreement pursuant to
17 section 79-473, except that such student may transfer to another district
18 which accepts option students.

19 Sec. 14. Section 79-235, Reissue Revised Statutes of Nebraska, is
20 amended to read:

21 79-235 For purposes of all duties, entitlements, and rights
22 established by law, including special education as provided in section
23 79-1127, except as provided in section 79-241 and, for open enrollment
24 option students, except as provided in section 15 of this act, option
25 students shall be treated as resident students of the option school
26 district. The option student may request a particular school building,
27 but the building assignment of the option student shall be determined by
28 the option school district except as provided in section 15 of this act
29 for open enrollment option students and in subsection (3) of section
30 79-2110 for students attending a focus school, focus program, or magnet
31 school. In determining eligibility for extracurricular activities as

1 defined in section 79-2,126, the option student shall be treated
2 similarly to other students who transfer into the school from another
3 public, private, denominational, or parochial school.

4 Sec. 15. Each student attending a school building outside of the
5 resident school district as an open enrollment student pursuant to
6 section 79-2110 for any part of school year 2016-17 shall be
7 automatically approved as an open enrollment option student beginning
8 with school year 2017-18 and allowed to continue attending such school
9 building as an option student without submitting an additional
10 application unless the student has completed the grades offered in such
11 school building or has been expelled and is disqualified pursuant to
12 section 79-266.01. Except as provided in subsection (3) of section
13 79-2110 for students attending a focus school, focus program, or magnet
14 school, approval as an open enrollment option student pursuant to this
15 section does not permit the student to attend another school building
16 within the option school district unless an application meeting the
17 requirements prescribed in section 79-237 is approved by the school board
18 of the option school district. Upon approval of an application meeting
19 the requirements prescribed in section 79-237, a student previously
20 enrolled as an open enrollment student in the option school district
21 shall be treated as an option student of the option school district
22 without regard to his or her former status as an open enrollment student.
23 Except as otherwise provided in this section and sections 79-234, 79-235,
24 79-237, and 79-238 and subsection (3) of section 79-2110, open enrollment
25 option students shall be treated as option students of the option school
26 district.

27 Sec. 16. Section 79-237, Reissue Revised Statutes of Nebraska, is
28 amended to read:

29 79-237 (1) For a student to begin attendance as an option student in
30 an option school district ~~which is not in a learning community~~ in which
31 the student resides, the student's parent or legal guardian shall submit

1 an application to the school board of the option school district between
2 September 1 and March 15 for attendance during the following and
3 subsequent school years. Except as provided in subsection (2) of this
4 section, applications submitted after March 15 shall contain a release
5 approval from the resident school district on the application form
6 prescribed and furnished by the State Department of Education pursuant to
7 subsection (8) of this section. A district may not accept or approve any
8 applications submitted after such date without such a release approval.
9 The option school district shall provide the resident school district
10 with the name of the applicant on or before April 1 or, in the case of an
11 application submitted after March 15, within sixty days after submission.
12 The option school district shall notify, in writing, the parent or legal
13 guardian of the student and the resident school district whether the
14 application is accepted or rejected on or before April 1 or, in the case
15 of an application submitted after March 15, within sixty days after
16 submission. An option school district that is a member of a learning
17 community may not approve an application pursuant to this section for a
18 student who resides in such learning community to attend prior to school
19 year 2017-18.

20 (2) A student who relocates to a different resident school district
21 after February 1 ~~or~~ ⁷ whose option school district merges with another
22 district effective after February 1, ~~or whose qualification for the~~
23 ~~option for school year 2013-14 is changed pursuant to the changes made to~~
24 ~~subsection (1) of section 79-234 by Laws 2013, LB410,~~ may submit an
25 application to the school board of an option school district for
26 attendance during the immediately following and subsequent school years
27 unless the applicant is a resident of a learning community and the
28 application is for attendance to begin prior to school year 2017-18 in an
29 option school district that is also a member of such learning community.
30 Such application does not require the release approval of the resident
31 school district. The option school district shall accept or reject such

1 application within forty-five days.

2 ~~(3) For a student who resides in a learning community to begin~~
3 ~~attendance in an option school district which is a member of such~~
4 ~~learning community, the student's parent or legal guardian shall submit~~
5 ~~an application to the school board of the option school district (a) for~~
6 ~~any learning community established prior to February 13, 2009, between~~
7 ~~February 13, 2009, and April 1, 2009, or (b) for any learning community~~
8 ~~established thereafter, between September 1 and March 15. Applications~~
9 ~~submitted after such deadlines shall be accompanied by a written release~~
10 ~~from the resident school district. Students who reside in a learning~~
11 ~~community shall only begin attendance in an option school district which~~
12 ~~is a member of such learning community prior to the end of the first full~~
13 ~~school year for which the option school district is a member of such~~
14 ~~learning community. The option school district shall provide the resident~~
15 ~~school district with the name of the applicant within five days after the~~
16 ~~applicable deadline. The option school district shall notify, in writing,~~
17 ~~the parent or legal guardian of the student and the resident school~~
18 ~~district whether the application is accepted or rejected on or before~~
19 ~~April 1. A parent or guardian may provide information on the application~~
20 for an option school district that is a member of a learning community
21 regarding the applicant's potential qualification for free or reduced-
22 price lunches. Any such information provided shall be subject to
23 verification and shall only be used for the purposes of subsection (4) of
24 section 79-238. Nothing in this subsection requires a parent or guardian
25 to provide such information. Determinations about an applicant's
26 qualification for free or reduced-price lunches for purposes of
27 subsection (4) of section 79-238 shall be based on any verified
28 information provided on the application. If no such information is
29 provided, the student shall be presumed not to qualify for free or
30 reduced-price lunches for the purposes of subsection (4) of section
31 79-238.

1 (4) Applications for students who do not actually attend the option
2 school district may be withdrawn in good standing upon mutual agreement
3 by both the resident and option school districts.

4 (5) No option student shall attend an option school district for
5 less than one school year unless the student relocates to a different
6 resident school district, completes requirements for graduation prior to
7 the end of his or her senior year, transfers to a private or parochial
8 school, or upon mutual agreement of the resident and option school
9 districts cancels the enrollment option and returns to the resident
10 school district.

11 (6) Except as provided in subsection (5) of this section or, for
12 open enrollment option students, in section 15 of this act, the option
13 student shall attend the option school district until graduation unless
14 the student relocates in a different resident school district, transfers
15 to a private or parochial school, or chooses to return to the resident
16 school district.

17 (7) In each case of cancellation pursuant to subsections (5) and (6)
18 of this section, the student's parent or legal guardian shall provide
19 written notification to the school board of the option school district
20 and the resident school district on forms prescribed and furnished by the
21 department under subsection (8) of this section in advance of such
22 cancellation.

23 (8) The application and cancellation forms shall be prescribed and
24 furnished by the State Department of Education.

25 (9) An option student who subsequently chooses to attend a private
26 or parochial school and who is not an open enrollment option student
27 shall be automatically accepted to return to either the resident school
28 district or option school district upon the completion of the grade
29 levels offered at the private or parochial school. If such student
30 chooses to return to the option school district, the student's parent or
31 legal guardian shall submit another application to the school board of

1 the option school district which shall be automatically accepted, and the
2 deadlines prescribed in this section shall be waived.

3 Sec. 17. Section 79-238, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 79-238 (1) Except as provided in this section, section 79-240, and
6 section 15 of this act, the school board of the option school district
7 shall adopt by resolution specific standards for acceptance and rejection
8 of applications and for providing transportation for option students.
9 Standards may include the capacity of a program, class, grade level, or
10 school building or the availability of appropriate special education
11 programs operated by the option school district. For a school district
12 that is not a member of a learning community, capacity ~~Capacity~~ shall be
13 determined by setting a maximum number of option students that a district
14 will accept in any program, class, grade level, or school building, based
15 upon available staff, facilities, projected enrollment of resident
16 students, projected number of students with which the option school
17 district will contract based on existing contractual arrangements, and
18 availability of appropriate special education programs. To facilitate
19 option enrollment within a learning community, member school districts
20 shall annually (a) establish and report a maximum capacity for each
21 school building under such district's control pursuant to procedures,
22 criteria, and deadlines established by the learning community
23 coordinating council and (b) provide a copy of the standards for
24 acceptance and rejection of applications and transportation policies for
25 option students to the learning community coordinating council. Except as
26 otherwise provided in this section, the ~~The~~ school board of the option
27 school district may by resolution declare a program, a class, or a school
28 unavailable to option students due to lack of capacity. Standards shall
29 not include previous academic achievement, athletic or other
30 extracurricular ability, disabilities, proficiency in the English
31 language, or previous disciplinary proceedings except as provided in

1 section 79-266.01. False or substantively misleading information
2 submitted by a parent or guardian on an application to an option school
3 district may be cause for the option school district to reject a
4 previously accepted application if the rejection occurs prior to the
5 student's attendance as an option student.

6 (2) The school board of every school district shall also adopt
7 standards and conditions for acceptance or rejection of a request for
8 release of a resident student submitting an application to an option
9 school district after March 15 under subsection (1) of section 79-237.

10 (3) Any option school district that is not a member of a learning
11 community shall give first priority for enrollment to siblings of option
12 students, except that the option school district shall not be required to
13 accept the sibling of an option student if the district is at capacity
14 except as provided in subsection (1) of section 79-240.

15 (4) Any option school district that is in a learning community shall
16 give first priority for enrollment to siblings of option students
17 enrolled in the option school district, second priority for enrollment to
18 students who have previously been enrolled in the option school district
19 as an open enrollment student, third priority for enrollment to students
20 who reside in the learning community and who contribute to the
21 socioeconomic diversity of enrollment as defined in section 79-2110 at
22 the school building to which the student will be assigned pursuant to
23 section 79-235, and final priority for enrollment to other students who
24 reside in the learning community. The option school district shall not be
25 required to accept a student meeting the priority criteria in this
26 section if the district is at capacity as determined pursuant to
27 subsection (1) of this section except as provided in section 79-240 or
28 section 15 of this act. For purposes of the enrollment option program, a
29 student who contributes to the socioeconomic diversity of enrollment at a
30 school building within a learning community means (a) a student who does
31 not qualify for free or reduced-price lunches when, based upon the

1 certification pursuant to section 79-2120, the school building the
2 student will be assigned to attend either has more students qualifying
3 for free or reduced-price lunches than the average percentage of such
4 students in all school buildings in the learning community or provides
5 free meals to all students pursuant to the community eligibility
6 provision or (b) a student who qualifies for free or reduced-price
7 lunches based on information collected voluntarily from parents and
8 guardians pursuant to section 79-237 when, based upon the certification
9 pursuant to section 79-2120, the school building the student will be
10 assigned to attend has fewer students qualifying for free or reduced-
11 price lunches than the average percentage of such students in all school
12 buildings in the learning community and does not provide free meals to
13 all students pursuant to the community eligibility provision.

14 Sec. 18. Section 79-241, Reissue Revised Statutes of Nebraska, is
15 amended to read:

16 79-241 (1) Except as otherwise provided in ~~subsection (2)~~ of this
17 section, section 79-611 does not apply to the transportation of an option
18 student. The parent or legal guardian of the option student shall be
19 responsible for required transportation. A school district may, upon
20 mutual agreement with the parent or legal guardian of an option student,
21 provide transportation to the option student on the same basis as
22 provided for resident students. The school district may charge the
23 parents of each option student transported a fee sufficient to recover
24 the additional costs of such transportation.

25 (2) ~~Option Parents or guardians of option~~ students who qualify for
26 free lunches shall be eligible for either free transportation or
27 transportation reimbursement as described in section 79-611 from the
28 option school district pursuant to policies established by the school
29 district in compliance with this section, except that they shall be
30 reimbursed at the rate of one hundred forty-two and one-half percent of
31 the mandatorily established mileage rate provided in section 81-1176 for

1 each mile actually and necessarily traveled on each day of attendance by
2 which the distance traveled one way from the residence of such student to
3 the schoolhouse exceeds three miles.

4 (3) For open enrollment option students who received free
5 transportation for school year 2016-17 pursuant to subsection (2) of
6 section 79-611, the school board of the option school district shall
7 continue to provide free transportation for the duration of the student's
8 status as an open enrollment option student or for the duration of the
9 student's enrollment in a pathway pursuant to subsection (3) of section
10 79-2110 unless the student relocates to a school district that would have
11 prevented the student from qualifying for free transportation for the
12 2016-17 school year pursuant to subsection (2) of section 79-611.

13 (4 3) For option students verified as having a disability as defined
14 in section 79-1118.01, the transportation services set forth in section
15 79-1129 shall be provided by the resident school district. The State
16 Department of Education shall reimburse the resident school district for
17 the cost of transportation in accordance with section 79-1144.

18 Sec. 19. Section 79-245, Reissue Revised Statutes of Nebraska, is
19 amended to read:

20 79-245 The Tax Equity and Educational Opportunities Support Act
21 shall apply to the enrollment option program as provided in this section.
22 For purposes of the act, ~~(1)~~ option students shall not be counted as
23 formula students by the resident school district and shall be counted as as
24 formula students by the option school district ~~and (2) the option school~~
25 ~~district shall include the funds received pursuant to this section in the~~
26 ~~calculation of other actual receipts as required by section 79-1018.01.~~

27 Sec. 20. Section 79-4,119, Reissue Revised Statutes of Nebraska, is
28 amended to read:

29 79-4,119 Any reorganization of school districts that affects a
30 school district that is a member of a learning community, except
31 dissolutions pursuant to section 79-470, 79-498, 79-499, or 79-598, shall

1 only be accomplished pursuant to the Learning Community Reorganization
2 Act, ~~based on a plan submitted to the state committee by the learning~~
3 ~~community coordinating council.~~

4 Sec. 21. Section 79-4,121, Reissue Revised Statutes of Nebraska, is
5 amended to read:

6 79-4,121 In the review of a plan for the reorganization of school
7 districts pursuant to the Learning Community Reorganization Act, the
8 state committee shall give due consideration to (1) the educational needs
9 of pupils in the learning community, (2) economies in administration
10 costs, (3) the future use of existing satisfactory school buildings,
11 sites, and play fields, (4) the convenience and welfare of pupils, (5)
12 transportation requirements, (6) the equalization of the educational
13 opportunity of pupils, (7) the amount of outstanding indebtedness of each
14 district and proposed disposition thereof, (8) the equitable adjustment
15 of all property, debts, and liabilities among the districts involved, (9)
16 any additional statutory requirements for learning community
17 organization, and (10) any other matters which, in its judgment, are of
18 importance. ~~The learning community coordinating council proposing the~~
19 ~~plan of reorganization, in preparation or review of a plan for~~
20 ~~reorganization, shall take into consideration any advice or suggestions~~
21 ~~offered by the state committee.~~

22 Sec. 22. Section 79-4,122, Reissue Revised Statutes of Nebraska, is
23 amended to read:

24 79-4,122 Before any plan of reorganization ~~submitted by a learning~~
25 ~~community coordinating council~~ is approved by the state committee
26 pursuant to the Learning Community Reorganization Act, the state
27 committee shall hold one or more public hearings. At such hearings, the
28 state committee shall hear any and all persons interested with respect to
29 the areas of consideration listed in section 79-4,121. The state
30 committee shall keep a record of all hearings in the formulation or
31 approval of plans for the reorganization of school districts. Notice of

1 such public hearings of the state committee shall be given by publication
2 in a legal newspaper of general circulation in the county or counties in
3 which the affected districts are located at least ten days prior to such
4 hearing.

5 Sec. 23. Section 79-4,123, Reissue Revised Statutes of Nebraska, is
6 amended to read:

7 79-4,123 After one or more public hearings have been held, the state
8 committee may approve a plan or plans of reorganization pursuant to the
9 Learning Community Reorganization Act. Such plan shall contain:

10 (1) A description of the proposed boundaries of the reorganized
11 districts and a designation of the class for each district;

12 (2) A summary of the reasons for each proposed change, realignment,
13 or adjustment of the boundaries which shall include, but not be limited
14 to, an explanation of how the plan complies with any statutory
15 requirements for learning community organization and an assurance that
16 the plan does not increase the geographic size of any school district
17 that has more than twenty-five thousand formula students for the most
18 recent certification of state aid pursuant to section 79-1022 ~~students~~;

19 (3) A summary of the terms on which reorganization is to be made
20 between the reorganized districts. Such terms shall include a provision
21 for initial school board districts or wards within the proposed district,
22 which proposed initial school board districts or wards shall be
23 determined by the state committee taking into consideration population
24 and valuation, a determination of the number of members to be appointed
25 to the initial school board for Class II and III school districts, and a
26 determination of the terms of the board members first appointed to
27 membership on the board of the newly reorganized district;

28 (4) A statement of the findings with respect to the location of
29 schools, the utilization of existing buildings, the construction of new
30 buildings, and the transportation requirements under the proposed plan of
31 reorganization;

1 (5) A map showing the boundaries of established school districts and
2 the boundaries proposed under any plan or plans of reorganization; and

3 (6) Such other matters as the state committee determines proper to
4 be included.

5 Sec. 24. Section 79-4,124, Reissue Revised Statutes of Nebraska, is
6 amended to read:

7 79-4,124 The state committee shall, within thirty days after holding
8 the hearings provided for in section 79-4,122, notify the affected school
9 districts learning community whether or not it approves or disapproves
10 such plan or plans.

11 Sec. 25. Section 79-4,125, Reissue Revised Statutes of Nebraska, is
12 amended to read:

13 79-4,125 If the state committee disapproves the plan pursuant to the
14 Learning Community Reorganization Act, it shall be considered a
15 disapproved plan and returned to the affected school districts learning
16 community coordinating council as a disapproved plan.

17 Sec. 26. Section 79-4,126, Reissue Revised Statutes of Nebraska, is
18 amended to read:

19 79-4,126 (1) The school board of any school district in a learning
20 community may propose a plan of reorganization. When at least sixty
21 percent of the members of the school board of each affected school
22 district vote to approve the plan, such plan may be submitted to the
23 state committee. When any area is added or removed from any school
24 district in a learning community as part of a plan, such school district
25 shall be deemed an affected school district.

26 (2) When a plan of reorganization or any part thereof has been
27 approved by the state committee pursuant to the Learning Community
28 Reorganization Act, it shall be designated as the final approved plan and
29 shall be returned to the learning community coordinating council to be
30 submitted to the county clerk pursuant to section 79-4,128 and to school
31 boards of the affected school districts for approval or rejection by such

1 ~~school boards within forty-five days.~~

2 Sec. 27. Section 79-4,128, Reissue Revised Statutes of Nebraska, is
3 amended to read:

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

14 Sec. 28. Section 79-528, Reissue Revised Statutes of Nebraska, is
15 amended to read:

16 79-528 (1)(a) On or before July 20 in all school districts, the
17 superintendent shall file with the State Department of Education a report
18 showing the number of children from five through eighteen years of age
19 belonging to the school district according to the census taken as
20 provided in sections 79-524 and 79-578. On or before August 31, the
21 department shall issue to each learning community coordinating council a
22 report showing the number of children from five through eighteen years of
23 age belonging to the learning community based on the member school
24 districts according to the school district reports filed with the
25 department.

26 (b) Each Class I school district which is part of a Class VI school
27 district offering instruction (i) in grades kindergarten through five
28 shall report children from five through ten years of age, (ii) in grades
29 kindergarten through six shall report children from five through eleven
30 years of age, and (iii) in grades kindergarten through eight shall report
31 children from five through thirteen years of age.

1 (c) Each Class VI school district offering instruction (i) in grades
2 six through twelve shall report children who are eleven through eighteen
3 years of age, (ii) in grades seven through twelve shall report children
4 who are twelve through eighteen years of age, and (iii) in grades nine
5 through twelve children who are fourteen through eighteen years of age.

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

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

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

14 (2) On or before June 30 the superintendent of each school district
15 shall file with the Commissioner of Education a report described as an
16 end-of-the-school-year annual statistical summary showing (a) the number
17 of children attending school during the year under five years of age, (b)
18 the length of time the school has been taught during the year by a
19 qualified teacher, (c) the length of time taught by each substitute
20 teacher, and (d) such other information as the Commissioner of Education
21 directs. On or before July 31, the commissioner shall issue to each
22 learning community coordinating council an end-of-the-school-year annual
23 statistical summary for the learning community based on the member school
24 districts according to the school district reports filed with the
25 commissioner.

26 (3)(a) On or before November 1 the superintendent of each school
27 district shall submit to the Commissioner of Education a report described
28 as the annual financial report showing (i) the amount of money received
29 from all sources during the year and the amount of money expended by the
30 school district during the year, (ii) the amount of bonded indebtedness,
31 (iii) such other information as shall be necessary to fulfill the

1 requirements of the Tax Equity and Educational Opportunities Support Act
2 and section 79-1114, and (iv) such other information as the Commissioner
3 of Education directs.

4 (b) On or before December 15, the commissioner shall issue to each
5 learning community coordinating council an annual financial report for
6 the learning community based on the member school districts according to
7 the annual financial reports filed with the commissioner, showing (i) the
8 aggregate amount of money received from all sources during the year for
9 all member school districts and the aggregate amount of money expended by
10 member school districts during the year, (ii) the aggregate amount of
11 bonded indebtedness for all member school districts, (iii) such other
12 aggregate information as shall be necessary to fulfill the requirements
13 of the Tax Equity and Educational Opportunities Support Act and section
14 79-1114 for all member school districts, and (iv) such other aggregate
15 information as the Commissioner of Education directs for all member
16 school districts.

17 (4)(a) On or before October 15 of each year, the superintendent of
18 each school district shall file with the commissioner the fall school
19 district membership report, which report shall include the number of
20 children from birth through twenty years of age enrolled in the district
21 on the last Friday in September of a given school year. The report shall
22 enumerate (i) students by grade level, (ii) school district levies and
23 total assessed valuation for the current fiscal year, ~~and~~ (iii) students
24 enrolled in the district as option students, resident students enrolled
25 in another district as option students, students enrolled in the district
26 as open enrollment students, and resident students enrolled in another
27 district as open enrollment students, and (iv) such other information as
28 the Commissioner of Education directs.

29 (b) On or before October 15 of each year prior to 2017, each
30 learning community coordinating council shall issue to the department a
31 report which enumerates the learning community levies pursuant to

1 subdivision (2)(b) subdivisions ~~(2)(b)~~ and ~~(g)~~ of section 77-3442 and
2 total assessed valuation for the current fiscal year.

3 (c) On or before November 15 of each year, the department shall
4 issue to each learning community coordinating council the fall learning
5 community membership report, which report shall include the aggregate
6 number of children from birth through twenty years of age enrolled in the
7 member school districts on the last Friday in September of a given school
8 year for all member school districts. The report shall enumerate (i) the
9 aggregate students by grade level for all member school districts, (ii)
10 school district levies and total assessed valuation for the current
11 fiscal year, ~~and~~ (iii) students enrolled in the district as option
12 students, resident students enrolled in another district as option
13 students, students enrolled in the district as open enrollment students,
14 and resident students enrolled in another district as open enrollment
15 students, and (iv) such other information as the Commissioner of
16 Education directs for all member school districts.

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

26 Sec. 29. Section 79-611, Reissue Revised Statutes of Nebraska, is
27 amended to read:

28 79-611 (1) The school board of any school district shall provide
29 free transportation, partially provide free transportation, or pay an
30 allowance for transportation in lieu of free transportation as follows:

31 (a) When a student attends an elementary school in his or her own

1 district and lives more than four miles from the public schoolhouse in
2 such district as measured by the shortest route that must actually and
3 necessarily be traveled by motor vehicle to reach the student's
4 residence;

5 (b) When a student is required to attend an elementary school
6 outside of his or her own district and lives more than four miles from
7 such elementary school as measured by the shortest route that must
8 actually and necessarily be traveled by motor vehicle to reach the
9 student's residence;

10 (c) When a student attends a secondary school in his or her own
11 Class II or Class III school district and lives more than four miles from
12 the public schoolhouse as measured by the shortest route that must
13 actually and necessarily be traveled by motor vehicle to reach the
14 student's residence. This subdivision does not apply when one or more
15 Class I school districts merge with a Class VI school district to form a
16 new Class II or III school district on or after January 1, 1997; and

17 (d) When a student, other than a student in grades ten through
18 twelve in a Class V district, attends an elementary or junior high school
19 in his or her own Class V district and lives more than four miles from
20 the public schoolhouse in such district as measured by the shortest route
21 that must actually and necessarily be traveled by motor vehicle to reach
22 the student's residence.

23 (2)(a) For school years prior to school year 2017-18 and as required
24 pursuant to subsection (3) of section 79-241, the ~~The~~ school board of any
25 school district that is a member of a learning community shall provide
26 free transportation for a student who resides in such learning community
27 and attends school in such school district if (i) the student is
28 transferring pursuant to the open enrollment provisions of section
29 79-2110, qualifies for free or reduced-price lunches, lives more than one
30 mile from the school to which he or she transfers, and is not otherwise
31 disqualified under subdivision (2)(c) of this section, (ii) the student

1 is transferring pursuant to the open enrollment provisions of section
2 79-2110, is a student who contributes to the socioeconomic diversity of
3 enrollment at the school building he or she attends, lives more than one
4 mile from the school to which he or she transfers, and is not otherwise
5 disqualified under subdivision (2)(c) of this section, (iii) the student
6 is attending a focus school or program and lives more than one mile from
7 the school building housing the focus school or program, or (iv) the
8 student is attending a magnet school or program and lives more than one
9 mile from the magnet school or the school housing the magnet program.

10 (b) For purposes of this subsection, student who contributes to the
11 socioeconomic diversity of enrollment at the school building he or she
12 attends has the definition found in section 79-2110. This subsection does
13 not prohibit a school district that is a member of a learning community
14 from providing transportation to any intradistrict student.

15 (c) For any student who resides within a learning community and
16 transfers to another school building pursuant to the open enrollment
17 provisions of section 79-2110 and who had not been accepted for open
18 enrollment into any school building within such district prior to
19 September 6, 2013, the school board is exempt from the requirement of
20 subdivision (2)(a) of this section if (i) the student is transferring to
21 another school building within his or her home school district or (ii)
22 the student is transferring to a school building in a school district
23 that does not share a common border with his or her home school district.

24 (3) The transportation allowance which may be paid to the parent,
25 custodial parent, or guardian of students qualifying for free
26 transportation pursuant to subsection (1) or (2) of this section shall
27 equal two hundred eighty-five percent of the mileage rate provided in
28 section 81-1176, multiplied by each mile actually and necessarily
29 traveled, on each day of attendance, beyond which the one-way distance
30 from the residence of the student to the schoolhouse exceeds three miles.
31 Such transportation allowance does not apply to students residing in a

1 learning community who qualify for free or reduced-price lunches.

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

5 (a) To the parent, custodial parent, or guardian providing
6 transportation for students from other families, one hundred percent of
7 the amount prescribed in subsection (3) of this section for the
8 transportation of students of such parent's, custodial parent's, or
9 guardian's own family and an additional five percent for students of each
10 other family not to exceed a maximum of one hundred twenty-five percent
11 of the amount determined pursuant to subsection (3) of this section; and

12 (b) To the parent, custodial parent, or guardian not providing
13 transportation for students of other families, two hundred eighty-five
14 percent of the mileage rate provided in section 81-1176 multiplied by
15 each mile actually and necessarily traveled, on each day of attendance,
16 from the residence of the student to the pick-up point at which students
17 transfer to the vehicle of a parent, custodial parent, or guardian
18 described in subdivision (a) of this subsection.

19 (5) When a student who qualifies under the mileage requirements of
20 subsection (1) of this section lives more than three miles from the
21 location where the student must be picked up and dropped off in order to
22 access school-provided free transportation, as measured by the shortest
23 route that must actually and necessarily be traveled by motor vehicle
24 between his or her residence and such location, such school-provided
25 transportation shall be deemed partially provided free transportation.
26 School districts partially providing free transportation shall pay an
27 allowance to the student's parent or guardian equal to two hundred
28 eighty-five percent of the mileage rate provided in section 81-1176
29 multiplied by each mile actually and necessarily traveled, on each day of
30 attendance, beyond which the one-way distance from the residence of the
31 student to the location where the student must be picked up and dropped

1 off exceeds three miles.

2 (6) The board may authorize school-provided transportation to any
3 student who does not qualify under the mileage requirements of subsection
4 (1) of this section and may charge a fee to the parent or guardian of the
5 student for such service. An affiliated high school district may provide
6 free transportation or pay the allowance described in this section for
7 high school students residing in an affiliated Class I district. No
8 transportation payments shall be made to a family for mileage not
9 actually traveled by such family. The number of days the student has
10 attended school shall be reported monthly by the teacher to the board of
11 such public school district.

12 (7) No more than one allowance shall be made to a family
13 irrespective of the number of students in a family being transported to
14 school. If a family resides in a Class I district which is part of a
15 Class VI district and has students enrolled in any of the grades offered
16 by the Class I district and in any of the non-high-school grades offered
17 by the Class VI district, such family shall receive not more than one
18 allowance for the distance actually traveled when both districts are on
19 the same direct travel route with one district being located a greater
20 distance from the residence than the other. In such cases, the travel
21 allowance shall be prorated among the school districts involved.

22 (8) No student shall be exempt from school attendance on account of
23 distance from the public schoolhouse.

24 Sec. 30. Section 79-703, Reissue Revised Statutes of Nebraska, is
25 amended to read:

26 79-703 (1) To ensure both equality of opportunity and quality of
27 programs offered, all public schools in the state shall be required to
28 meet quality and performance-based approval or accreditation standards as
29 prescribed by the State Board of Education. The board shall establish a
30 core curriculum standard, which shall include multicultural education and
31 vocational education courses, for all public schools in the state.

1 Accreditation and approval standards shall be designed to assure
2 effective schooling and quality of instructional programs regardless of
3 school size, wealth, or geographic location. Accreditation standards for
4 school districts that are members of a learning community shall include
5 participation in the community achievement plan for the learning
6 community as approved by the board. The board shall recognize and
7 encourage the maximum use of cooperative programs and may provide for
8 approval or accreditation of programs on a cooperative basis, including
9 the sharing of administrative and instructional staff, between school
10 districts for the purpose of meeting the approval and accreditation
11 requirements established pursuant to this section and section 79-318.

12 (2) The Commissioner of Education shall appoint an accreditation
13 committee which shall be representative of the educational institutions
14 and agencies of the state and shall include as a member the director of
15 admissions of the University of Nebraska.

16 (3) The accreditation committee shall be responsible for: (a)
17 Recommending appropriate standards and policies with respect to the
18 accreditation and classification of schools; and (b) making
19 recommendations annually to the commissioner relative to the
20 accreditation and classification of individual schools. No school shall
21 be considered for accreditation status which has not first fulfilled all
22 requirements for an approved school.

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

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

29 Sec. 31. Section 79-1001, Revised Statutes Supplement, 2015, is
30 amended to read:

31 79-1001 Sections 79-1001 to 79-1033 and section 33 of this act shall

1 be known and may be cited as the Tax Equity and Educational Opportunities
2 Support Act.

3 Sec. 32. Section 79-1003, Revised Statutes Supplement, 2015, is
4 amended to read:

5 79-1003 For purposes of the Tax Equity and Educational Opportunities
6 Support Act:

7 (1) Adjusted general fund operating expenditures means (a) for
8 school fiscal years 2013-14 through 2015-16, the difference of the
9 general fund operating expenditures as calculated pursuant to subdivision
10 (23) of this section increased by the cost growth factor calculated
11 pursuant to section 79-1007.10, minus the transportation allowance,
12 special receipts allowance, poverty allowance, limited English
13 proficiency allowance, distance education and telecommunications
14 allowance, elementary site allowance, summer school allowance,
15 instructional time allowance, teacher education allowance, and focus
16 school and program allowance, ~~and~~ (b) for school fiscal years 2016-17
17 through 2018-19 ~~year 2016-17 and each school fiscal year thereafter~~, the
18 difference of the general fund operating expenditures as calculated
19 pursuant to subdivision (23) of this section increased by the cost growth
20 factor calculated pursuant to section 79-1007.10, minus the
21 transportation allowance, special receipts allowance, poverty allowance,
22 limited English proficiency allowance, distance education and
23 telecommunications allowance, elementary site allowance, summer school
24 allowance, best practices allowance, and focus school and program
25 allowance, and (c) for school fiscal year 2019-20 and each school fiscal
26 year thereafter, the difference of the general fund operating
27 expenditures as calculated pursuant to subdivision (23) of this section
28 increased by the cost growth factor calculated pursuant to section
29 79-1007.10, minus the transportation allowance, special receipts
30 allowance, poverty allowance, limited English proficiency allowance,
31 distance education and telecommunications allowance, elementary site

1 allowance, summer school allowance, best practices allowance, community
2 achievement plan allowance, and focus school and program allowance;

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

13 (3) Allocated income tax funds means the amount of assistance paid
14 to a local system pursuant to section 79-1005.01 as adjusted by the
15 minimum levy adjustment pursuant to section 79-1008.02;

16 (4) Average daily membership means the average daily membership for
17 grades kindergarten through twelve attributable to the local system, as
18 provided in each district's annual statistical summary, and includes the
19 proportionate share of students enrolled in a public school instructional
20 program on less than a full-time basis;

21 (5) Base fiscal year means the first school fiscal year following
22 the school fiscal year in which the reorganization or unification
23 occurred;

24 (6) Board means the school board of each school district;

25 (7) Categorical funds means funds limited to a specific purpose by
26 federal or state law, including, but not limited to, Title I funds, Title
27 VI funds, federal vocational education funds, federal school lunch funds,
28 Indian education funds, Head Start funds, and funds from the Education
29 Innovation Fund. Categorical funds does not include funds received
30 pursuant to section 79-1028.02 or 79-1028.04;

31 (8) Consolidate means to voluntarily reduce the number of school

1 districts providing education to a grade group and does not include
2 dissolution pursuant to section 79-498;

3 (9) Converted contract means an expired contract that was in effect
4 for at least fifteen school years beginning prior to school year 2012-13
5 for the education of students in a nonresident district in exchange for
6 tuition from the resident district when the expiration of such contract
7 results in the nonresident district educating students, who would have
8 been covered by the contract if the contract were still in effect, as
9 option students pursuant to the enrollment option program established in
10 section 79-234;

11 (10) Converted contract option student means a student who will be
12 an option student pursuant to the enrollment option program established
13 in section 79-234 for the school fiscal year for which aid is being
14 calculated and who would have been covered by a converted contract if the
15 contract were still in effect and such school fiscal year is the first
16 school fiscal year for which such contract is not in effect;

17 (11) Department means the State Department of Education;

18 (12) District means any Class I, II, III, IV, V, or VI school
19 district and, beginning with the calculation of state aid for school
20 fiscal year 2011-12 and each school fiscal year thereafter, a unified
21 system as defined in section 79-4,108;

22 (13) Ensuing school fiscal year means the school fiscal year
23 following the current school fiscal year;

24 (14) Equalization aid means the amount of assistance calculated to
25 be paid to a local system pursuant to sections 79-1007.11 to 79-1007.23,
26 79-1007.25, 79-1008.01 to 79-1022, 79-1022.02, 79-1028.02, and
27 79-1028.04;

28 (15) Fall membership means the total membership in kindergarten
29 through grade twelve attributable to the local system as reported on the
30 fall school district membership reports for each district pursuant to
31 section 79-528;

1 (16) Fiscal year means the state fiscal year which is the period
2 from July 1 to the following June 30;

3 (17) Formula students means:

4 (a) For state aid certified pursuant to section 79-1022, the sum of
5 the product of fall membership from the school fiscal year immediately
6 preceding the school fiscal year in which the aid is to be paid
7 multiplied by the average ratio of average daily membership to fall
8 membership for the second school fiscal year immediately preceding the
9 school fiscal year in which the aid is to be paid and the prior two
10 school fiscal years plus sixty percent of the qualified early childhood
11 education fall membership plus tuitioned students from the school fiscal
12 year immediately preceding the school fiscal year in which aid is to be
13 paid minus the product of the number of students enrolled in kindergarten
14 that is not full-day kindergarten from the fall membership multiplied by
15 0.5; and

16 (b) For the final calculation of state aid pursuant to section
17 79-1065, the sum of average daily membership plus sixty percent of the
18 qualified early childhood education average daily membership plus
19 tuitioned students minus the product of the number of students enrolled
20 in kindergarten that is not full-day kindergarten from the average daily
21 membership multiplied by 0.5 from the school fiscal year immediately
22 preceding the school fiscal year in which aid was paid;

23 (18) Free lunch and free milk calculated student means, for school
24 fiscal year 2016-17 and each school fiscal year thereafter, using the
25 most recent data available on November 1 of the school fiscal year
26 immediately preceding the school fiscal year in which aid is to be paid,
27 (a) a student who qualified for free lunches or free milk and attended a
28 school that uses information collected from parents and guardians
29 pursuant to section 79-10,143 to determine such qualifications pursuant
30 to the federal Richard B. Russell National School Lunch Act, 42 U.S.C.
31 1751 et seq., and the federal Child Nutrition Act of 1966, 42 U.S.C. 1771

1 et seq., as such acts and sections existed on January 1, 2015, and rules
2 and regulations adopted thereunder, plus (b) the product of the students
3 who attend a school that provides free meals to all students pursuant to
4 the community eligibility provision multiplied by the identified student
5 percentage calculated pursuant to such federal provision;

6 (19) Free lunch and free milk student means, for school fiscal years
7 prior to school fiscal year 2016-17, a student who qualified for free
8 lunches or free milk from the most recent data available on November 1 of
9 the school fiscal year immediately preceding the school fiscal year in
10 which aid is to be paid;

11 (20) Full-day kindergarten means kindergarten offered by a district
12 for at least one thousand thirty-two instructional hours;

13 (21) General fund budget of expenditures means the total budget of
14 disbursements and transfers for general fund purposes as certified in the
15 budget statement adopted pursuant to the Nebraska Budget Act, except that
16 for purposes of the limitation imposed in section 79-1023 and the
17 calculation pursuant to subdivision (2) of section 79-1027.01, the
18 general fund budget of expenditures does not include any special grant
19 funds, exclusive of local matching funds, received by a district;

20 (22) General fund expenditures means all expenditures from the
21 general fund;

22 (23) General fund operating expenditures means for state aid
23 calculated for school fiscal years 2012-13 and each school fiscal year
24 thereafter, as reported on the annual financial report for the second
25 school fiscal year immediately preceding the school fiscal year in which
26 aid is to be paid, the total general fund expenditures minus (a) the
27 amount of all receipts to the general fund, to the extent that such
28 receipts are not included in local system formula resources, from early
29 childhood education tuition, summer school tuition, educational entities
30 as defined in section 79-1201.01 for providing distance education courses
31 through the Educational Service Unit Coordinating Council to such

1 educational entities, private foundations, individuals, associations,
2 charitable organizations, the textbook loan program authorized by section
3 79-734, federal impact aid, and levy override elections pursuant to
4 section 77-3444, (b) the amount of expenditures for categorical funds,
5 tuition paid, transportation fees paid to other districts, adult
6 education, community services, redemption of the principal portion of
7 general fund debt service, retirement incentive plans authorized by
8 section 79-855, and staff development assistance authorized by section
9 79-856, (c) the amount of any transfers from the general fund to any bond
10 fund and transfers from other funds into the general fund, (d) any legal
11 expenses in excess of fifteen-hundredths of one percent of the formula
12 need for the school fiscal year in which the expenses occurred, (e)
13 expenditures to pay for sums agreed to be paid by a school district to
14 certificated employees in exchange for a voluntary termination occurring
15 prior to July 1, 2009, occurring on or after the last day of the 2010-11
16 school year and prior to the first day of the 2013-14 school year, or, to
17 the extent that a district has demonstrated to the State Board of
18 Education pursuant to section 79-1028.01 that the agreement will result
19 in a net savings in salary and benefit costs to the school district over
20 a five-year period, occurring on or after the first day of the 2013-14
21 school year, (f)(i) expenditures to pay for employer contributions
22 pursuant to subsection (2) of section 79-958 to the School Employees
23 Retirement System of the State of Nebraska to the extent that such
24 expenditures exceed the employer contributions under such subsection that
25 would have been made at a contribution rate of seven and thirty-five
26 hundredths percent or (ii) expenditures to pay for school district
27 contributions pursuant to subdivision (1)(c)(i) of section 79-9,113 to
28 the retirement system established pursuant to the Class V School
29 Employees Retirement Act to the extent that such expenditures exceed the
30 school district contributions under such subdivision that would have been
31 made at a contribution rate of seven and thirty-seven hundredths percent,

1 and (g) any amounts paid by the district for lobbyist fees and expenses
2 reported to the Clerk of the Legislature pursuant to section 49-1483.

3 For purposes of this subdivision (23) of this section, receipts from
4 levy override elections shall equal ninety-nine percent of the difference
5 of the total general fund levy minus a levy of one dollar and five cents
6 per one hundred dollars of taxable valuation multiplied by the assessed
7 valuation for school districts that have voted pursuant to section
8 77-3444 to override the maximum levy provided pursuant to section
9 77-3442;

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

12 (25) Income tax liability means the amount of the reported income
13 tax liability for resident individuals pursuant to the Nebraska Revenue
14 Act of 1967 less all nonrefundable credits earned and refunds made;

15 (26) Income tax receipts means the amount of income tax collected
16 pursuant to the Nebraska Revenue Act of 1967 less all nonrefundable
17 credits earned and refunds made;

18 (27) Limited English proficiency students means the number of
19 students with limited English proficiency in a district from the most
20 recent data available on November 1 of the school fiscal year preceding
21 the school fiscal year in which aid is to be paid plus the difference of
22 such students with limited English proficiency minus the average number
23 of limited English proficiency students for such district, prior to such
24 addition, for the three immediately preceding school fiscal years if such
25 difference is greater than zero;

26 (28) Local system means a learning community for purposes of
27 calculation of state aid for each school fiscal year prior to school
28 fiscal year 2017-18 ~~the second full school fiscal year after becoming a~~
29 ~~learning community and each school fiscal year thereafter,~~ a unified
30 system, a Class VI district and the associated Class I districts, or a
31 Class II, III, IV, or V district and any affiliated Class I districts or

1 portions of Class I districts. The membership, expenditures, and
2 resources of Class I districts that are affiliated with multiple high
3 school districts will be attributed to local systems based on the percent
4 of the Class I valuation that is affiliated with each high school
5 district;

6 (29) Low-income child means (a) for school fiscal years prior to
7 2016-17, a child under nineteen years of age living in a household having
8 an annual adjusted gross income for the second calendar year preceding
9 the beginning of the school fiscal year for which aid is being calculated
10 equal to or less than the maximum household income that would allow a
11 student from a family of four people to be a free lunch and free milk
12 student during the school fiscal year immediately preceding the school
13 fiscal year for which aid is being calculated and (b) for school fiscal
14 year 2016-17 and each school fiscal year thereafter, a child under
15 nineteen years of age living in a household having an annual adjusted
16 gross income for the second calendar year preceding the beginning of the
17 school fiscal year for which aid is being calculated equal to or less
18 than the maximum household income pursuant to sections 9(b)(1) and 17(c)
19 (4) of the Richard B. Russell National School Lunch Act, 42 U.S.C.
20 1758(b)(1) and 42 U.S.C. 1766(c)(4), respectively, and sections 3(a)(6)
21 and 4(e)(1)(A) of the Child Nutrition Act of 1966, 42 U.S.C. 1772(a)(6)
22 and 42 U.S.C. 1773(e)(1)(A), respectively, as such acts and sections
23 existed on January 1, 2015, for a household of that size that would have
24 allowed the child to meet the income qualifications for free meals during
25 the school fiscal year immediately preceding the school fiscal year for
26 which aid is being calculated;

27 (30) Low-income students means the number of low-income children
28 within the district multiplied by the ratio of the formula students in
29 the district divided by the total children under nineteen years of age
30 residing in the district as derived from income tax information;

31 (31) Most recently available complete data year means the most

1 recent single school fiscal year for which the annual financial report,
2 fall school district membership report, annual statistical summary,
3 Nebraska income tax liability by school district for the calendar year in
4 which the majority of the school fiscal year falls, and adjusted
5 valuation data are available;

6 (32) Poverty students means (a) for school fiscal years prior to
7 2016-17, the number of low-income students or the number of students who
8 are free lunch and free milk students in a district plus the difference
9 of the number of low-income students or the number of students who are
10 free lunch and free milk students in a district, whichever is greater,
11 minus the average number of poverty students for such district, prior to
12 such addition, for the three immediately preceding school fiscal years if
13 such difference is greater than zero and (b) for school fiscal year
14 2016-17 and each school fiscal year thereafter, the unadjusted poverty
15 students plus the difference of such unadjusted poverty students minus
16 the average number of poverty students for such district, prior to such
17 addition, for the three immediately preceding school fiscal years if such
18 difference is greater than zero;

19 (33) Qualified early childhood education average daily membership
20 means the product of the average daily membership for school fiscal year
21 2006-07 and each school fiscal year thereafter of students who will be
22 eligible to attend kindergarten the following school year and are
23 enrolled in an early childhood education program approved by the
24 department pursuant to section 79-1103 for such school district for such
25 school year multiplied by the ratio of the actual instructional hours of
26 the program divided by one thousand thirty-two if: (a) The program is
27 receiving a grant pursuant to such section for the third year; (b) the
28 program has already received grants pursuant to such section for three
29 years; or (c) the program has been approved pursuant to subsection (5) of
30 section 79-1103 for such school year and the two preceding school years,
31 including any such students in portions of any of such programs receiving

1 an expansion grant;

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

15 (35) Regular route transportation means the transportation of
16 students on regularly scheduled daily routes to and from the attendance
17 center;

18 (36) Reorganized district means any district involved in a
19 consolidation and currently educating students following consolidation;

20 (37) School year or school fiscal year means the fiscal year of a
21 school district as defined in section 79-1091;

22 (38) Sparse local system means a local system that is not a very
23 sparse local system but which meets the following criteria:

24 (a)(i) Less than two students per square mile in the county in which
25 each high school is located, based on the school district census, (ii)
26 less than one formula student per square mile in the local system, and
27 (iii) more than ten miles between each high school attendance center and
28 the next closest high school attendance center on paved roads;

29 (b)(i) Less than one and one-half formula students per square mile
30 in the local system and (ii) more than fifteen miles between each high
31 school attendance center and the next closest high school attendance

1 center on paved roads;

2 (c)(i) Less than one and one-half formula students per square mile
3 in the local system and (ii) more than two hundred seventy-five square
4 miles in the local system; or

5 (d)(i) Less than two formula students per square mile in the local
6 system and (ii) the local system includes an area equal to ninety-five
7 percent or more of the square miles in the largest county in which a high
8 school attendance center is located in the local system;

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

12 (40) Special grant funds means the budgeted receipts for grants,
13 including, but not limited to, categorical funds, reimbursements for
14 wards of the court, short-term borrowings including, but not limited to,
15 registered warrants and tax anticipation notes, interfund loans,
16 insurance settlements, and reimbursements to county government for
17 previous overpayment. The state board shall approve a listing of grants
18 that qualify as special grant funds;

19 (41) State aid means the amount of assistance paid to a district
20 pursuant to the Tax Equity and Educational Opportunities Support Act;

21 (42) State board means the State Board of Education;

22 (43) State support means all funds provided to districts by the
23 State of Nebraska for the general fund support of elementary and
24 secondary education;

25 (44) Statewide average basic funding per formula student means the
26 statewide total basic funding for all districts divided by the statewide
27 total formula students for all districts;

28 (45) Statewide average general fund operating expenditures per
29 formula student means the statewide total general fund operating
30 expenditures for all districts divided by the statewide total formula
31 students for all districts;

1 (46) Teacher has the definition found in section 79-101;

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

13 (48) Tuition receipts from converted contracts means tuition
14 receipts received by a district from another district in the most
15 recently available complete data year pursuant to a converted contract
16 prior to the expiration of the contract;

17 (49) Tuitioned students means students in kindergarten through grade
18 twelve of the district whose tuition is paid by the district to some
19 other district or education agency;

20 (50) Unadjusted poverty students means, for school fiscal year
21 2016-17 and each school fiscal year thereafter, the greater of the number
22 of low-income students or the free lunch and free milk calculated
23 students in a district; and

24 (51) Very sparse local system means a local system that has:

25 (a)(i) Less than one-half student per square mile in each county in
26 which each high school attendance center is located based on the school
27 district census, (ii) less than one formula student per square mile in
28 the local system, and (iii) more than fifteen miles between the high
29 school attendance center and the next closest high school attendance
30 center on paved roads; or

31 (b)(i) More than four hundred fifty square miles in the local

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

5 Sec. 33. (1) For school fiscal year 2017-18 and each school fiscal
6 year thereafter, the department shall determine the community achievement
7 plan aid to be paid to each school district that will participate in a
8 community achievement plan approved by the State Board of Education
9 pursuant to section 58 of this act for such school fiscal year. For the
10 first two school fiscal years a school district will participate in such
11 plan, a new community achievement plan adjustment equal to the community
12 achievement aid shall be included in the calculation of formula need for
13 such school district. For all other school fiscal years, a community
14 achievement plan allowance equal to the community achievement aid shall
15 be included in the calculation of formula need for school districts
16 qualifying for community achievement plan aid. Community achievement plan
17 aid shall be included as a formula resource pursuant to section
18 79-1017.01.

19 (2) Community achievement plan aid shall equal 0.4643 percent of the
20 product of the statewide average general fund operating expenditures per
21 formula student multiplied by the total formula students for all of the
22 member school districts in such learning community. The community
23 achievement plan aid for each learning community shall be divided
24 proportionally among the member school districts based on the sum of two
25 percent of the poverty allowance calculated pursuant to section
26 79-1007.06, two percent of the limited English proficiency allowance
27 calculated pursuant to section 79-1007.08, and, for school districts with
28 poverty students greater than forty percent of the formula students,
29 except as otherwise provided in this section, three percent of the
30 product of the statewide average general fund operating expenditures per
31 formula student multiplied by the difference of the poverty students

1 minus forty percent of the formula students for such school district.

2 (3) For school fiscal year 2017-18, community achievement plan aid
3 and a new community achievement plan adjustment shall be calculated for
4 school districts that are members of a learning community and shall be
5 included in formula resources pursuant to section 79-1017.01 in such
6 amount regardless of the status of the approval of a community
7 achievement plan, but community achievement plan aid shall not be paid to
8 such school districts until a community achievement plan for such
9 learning community is approved by the state board. If a community
10 achievement plan is not approved for such learning community prior to
11 September 1, 2017, the adjustment and aid calculated pursuant to this
12 section shall be removed for the final calculation of state aid pursuant
13 to section 79-1065 for school fiscal year 2017-18 and such amount shall
14 be subtracted from the state aid appropriated by the Legislature for the
15 determination of the local effort rate pursuant to section 79-1015.01 for
16 the final calculation of state aid for school fiscal year 2017-18.

17 Sec. 34. Section 79-1005.01, Reissue Revised Statutes of Nebraska,
18 is amended to read:

19 79-1005.01 (1) Not later than November 15 of each year, the Tax
20 Commissioner shall certify to the department for the preceding tax year
21 the income tax liability of resident individuals for each local system.

22 (2) For school fiscal years prior to 2017-18, an An amount equal to
23 the amount appropriated to the School District Income Tax Fund for
24 distribution in school fiscal year 1992-93 shall be disbursed as option
25 payments as determined under section 79-1009 and as allocated income tax
26 funds as determined in this section and sections 79-1008.01, 79-1015.01,
27 79-1017.01, and 79-1018.01, except as provided in section 79-1008.02.
28 Funds not distributed as allocated income tax funds due to minimum levy
29 adjustments shall not increase the amount available to local systems for
30 distribution as allocated income tax funds.

31 ~~(2) Not later than November 15 of each year, the Tax Commissioner~~

1 ~~shall certify to the department for the preceding tax year the income tax~~
2 ~~liability of resident individuals for each local system. The 1996 income~~
3 ~~tax liability of resident individuals of Class I districts that are~~
4 ~~affiliated with multiple high school districts shall be divided between~~
5 ~~local systems based on the percentage of the Class I district's valuation~~
6 ~~affiliated with each high school district.~~

7 (3) Using the data certified by the Tax Commissioner pursuant to
8 subsection (1 2) of this section, the department shall calculate the
9 allocation percentage and each local system's allocated income tax funds.
10 The allocation percentage shall be an amount equal to the amount
11 appropriated to the School District Income Tax Fund for distribution in
12 school fiscal year 1992-93 minus the total amount paid for option
13 students pursuant to section 79-1009 and (a) for aid calculated for
14 school fiscal year 2010-11, minus twenty million dollars and (b) for aid
15 calculated for school fiscal years 2011-12 and 2012-13, minus twenty-one
16 million dollars with the difference divided by the aggregate statewide
17 income tax liability of all resident individuals certified pursuant to
18 subsection (1 2) of this section. Each local system's allocated income
19 tax funds shall be calculated by multiplying the allocation percentage
20 times the local system's income tax liability certified pursuant to
21 subsection (1 2) of this section.

22 (4) For school fiscal year 2017-18 and each school fiscal year
23 thereafter, each local system's allocated income tax funds shall be
24 calculated by multiplying the local system's income tax liability
25 certified pursuant to subsection (1) of this section by two and twenty-
26 three hundredths percent.

27 Sec. 35. Section 79-1007.11, Revised Statutes Supplement, 2015, is
28 amended to read:

29 79-1007.11 (1) Except as otherwise provided in this section, for
30 school fiscal years 2013-14 through 2015-16, each school district's
31 formula need shall equal the difference of the sum of the school

1 district's basic funding, poverty allowance, limited English proficiency
2 allowance, focus school and program allowance, summer school allowance,
3 special receipts allowance, transportation allowance, elementary site
4 allowance, instructional time allowance, teacher education allowance,
5 distance education and telecommunications allowance, averaging
6 adjustment, new learning community transportation adjustment, student
7 growth adjustment, any positive student growth adjustment correction, and
8 new school adjustment, minus the sum of the limited English proficiency
9 allowance correction, poverty allowance correction, and any negative
10 student growth adjustment correction.

11 (2) Except as otherwise provided in this section, for school fiscal
12 year ~~2016-17 and each school fiscal year thereafter~~, each school
13 district's formula need shall equal the difference of the sum of the
14 school district's basic funding, poverty allowance, limited English
15 proficiency allowance, focus school and program allowance, summer school
16 allowance, special receipts allowance, transportation allowance,
17 elementary site allowance, best practices allowance, distance education
18 and telecommunications allowance, averaging adjustment, new learning
19 community transportation adjustment, student growth adjustment, any
20 positive student growth adjustment correction, and new school adjustment,
21 minus the sum of the limited English proficiency allowance correction,
22 poverty allowance correction, and any negative student growth adjustment
23 correction.

24 (3) Except as otherwise provided in this section, for school fiscal
25 years 2017-18 and 2018-19, each school district's formula need shall
26 equal the difference of the sum of the school district's basic funding,
27 poverty allowance, poverty allowance adjustment, limited English
28 proficiency allowance, focus school and program allowance, summer school
29 allowance, special receipts allowance, transportation allowance,
30 elementary site allowance, best practices allowance, distance education
31 and telecommunications allowance, averaging adjustment, new community

1 achievement plan adjustment, student growth adjustment, any positive
2 student growth adjustment correction, and new school adjustment minus the
3 sum of the limited English proficiency allowance correction, poverty
4 allowance correction, and any negative student growth adjustment
5 correction.

6 (4) Except as otherwise provided in this section, for school fiscal
7 year 2019-20 and each school fiscal year thereafter, each school
8 district's formula need shall equal the difference of the sum of the
9 school district's basic funding, poverty allowance, limited English
10 proficiency allowance, focus school and program allowance, summer school
11 allowance, special receipts allowance, transportation allowance,
12 elementary site allowance, best practices allowance, distance education
13 and telecommunications allowance, community achievement plan allowance,
14 averaging adjustment, new community achievement plan adjustment, student
15 growth adjustment, any positive student growth adjustment correction, and
16 new school adjustment minus the sum of the limited English proficiency
17 allowance correction, poverty allowance correction, and any negative
18 student growth adjustment correction.

19 (5 3) If the formula need calculated for a school district pursuant
20 to subsections (1) through (4) and (2) of this section is less than one
21 hundred percent of the formula need for such district for the school
22 fiscal year immediately preceding the school fiscal year for which aid is
23 being calculated, the formula need for such district shall equal one
24 hundred percent of the formula need for such district for the school
25 fiscal year immediately preceding the school fiscal year for which aid is
26 being calculated.

27 (6 4) If Except as provided in subsection (6) of this section, if
28 the formula need calculated for a school district pursuant to subsections
29 (1) through (4) and (2) of this section is more than one hundred twelve
30 percent of the formula need for such district for the school fiscal year
31 immediately preceding the school fiscal year for which aid is being

1 calculated, the formula need for such district shall equal one hundred
2 twelve percent of the formula need for such district for the school
3 fiscal year immediately preceding the school fiscal year for which aid is
4 being calculated, except that the formula need shall not be reduced
5 pursuant to this subsection for any district receiving a student growth
6 adjustment for the school fiscal year for which aid is being calculated.

7 ~~(7 5) For purposes of subsections (5) and (6) of this~~ For purposes
8 ~~of subsections (3) and (4) of this section,~~ the formula need for the
9 school fiscal year immediately preceding the school fiscal year for which
10 aid is being calculated shall be the formula need used in the final
11 calculation of aid pursuant to section 79-1065 and for districts that
12 were affected by a reorganization with an effective date in the calendar
13 year preceding the calendar year in which aid is certified for the school
14 fiscal year for which aid is being calculated, the formula need for the
15 school fiscal year immediately preceding the school fiscal year for which
16 aid is being calculated shall be attributed to the affected school
17 districts based on information provided to the department by the school
18 districts or proportionally based on the adjusted valuation transferred
19 if sufficient information has not been provided to the department.

20 ~~(6) For state aid calculated for the first full school fiscal year~~
21 ~~of a new learning community, if the formula need calculated for a member~~
22 ~~school district pursuant to subsections (1) through (3) of this section~~
23 ~~is less than the sum of the school district's state aid certified for the~~
24 ~~school fiscal year immediately preceding the first full school fiscal~~
25 ~~year of the learning community plus the school district's other actual~~
26 ~~receipts included in local system formula resources pursuant to section~~
27 ~~79-1018.01 for such school fiscal year plus the product of the school~~
28 ~~district's general fund levy for such school fiscal year up to one dollar~~
29 ~~and five cents multiplied by the school district's assessed valuation for~~
30 ~~such school fiscal year, the formula need for such school district for~~
31 ~~the school fiscal year for which aid is being calculated shall equal such~~

1 ~~sum-~~

2 Sec. 36. Section 79-1007.13, Reissue Revised Statutes of Nebraska,
3 is amended to read:

4 79-1007.13 The department shall calculate a special receipts
5 allowance for each district equal to the amount of special education,
6 state ward, and accelerated or differentiated curriculum program receipts
7 included in local system formula resources under subdivisions (7), (8),
8 (15), and (16), ~~and (17)~~ of section 79-1018.01 attributable to the school
9 district.

10 Sec. 37. Section 79-1007.18, Reissue Revised Statutes of Nebraska,
11 is amended to read:

12 79-1007.18 (1) The department shall calculate an averaging
13 adjustment for districts if the basic funding per formula student is less
14 than the averaging adjustment threshold and the general fund levy for the
15 school fiscal year immediately preceding the school fiscal year for which
16 aid is being calculated was at least one dollar per one hundred dollars
17 of taxable valuation. For the calculation of aid for school fiscal years
18 prior to school fiscal year 2018-19, the general fund levy for school
19 districts that are members of a learning community school districts that
20 ~~are members of a learning community, the general fund levy~~ for purposes
21 of this section includes both the common general fund levy and the school
22 district general fund levy authorized pursuant to subdivisions (2)(b) and
23 (2)(c) of section 77-3442. The averaging adjustment shall equal the
24 district's formula students multiplied by the percentage specified in
25 this section for such district of the difference between the averaging
26 adjustment threshold minus such district's basic funding per formula
27 student.

28 (2)(a) For school fiscal years 2012-13 and 2013-14, the averaging
29 adjustment threshold shall equal the lesser of (i) the averaging
30 adjustment threshold for the school fiscal year immediately preceding the
31 school fiscal year for which aid is being calculated increased by the

1 basic allowable growth rate or (ii) the statewide average basic funding
2 per formula student for the school fiscal year for which aid is being
3 calculated.

4 (b) For school fiscal year 2014-15 and each school fiscal year
5 thereafter, the averaging adjustment threshold shall equal the aggregate
6 basic funding for all districts with nine hundred or more formula
7 students divided by the aggregate formula students for all districts with
8 nine hundred or more formula students for the school fiscal year for
9 which aid is being calculated.

10 (3) The percentage to be used in the calculation of an averaging
11 adjustment shall be based on the general fund levy for the school fiscal
12 year immediately preceding the school fiscal year for which aid is being
13 calculated.

14 (4) The percentages to be used in the calculation of averaging
15 adjustments shall be as follows:

16 (a) If such levy was at least one dollar per one hundred dollars of
17 taxable valuation but less than one dollar and one cent per one hundred
18 dollars of taxable valuation, the percentage shall be fifty percent;

19 (b) If such levy was at least one dollar and one cent per one
20 hundred dollars of taxable valuation but less than one dollar and two
21 cents per one hundred dollars of taxable valuation, the percentage shall
22 be sixty percent;

23 (c) If such levy was at least one dollar and two cents per one
24 hundred dollars of taxable valuation but less than one dollar and three
25 cents per one hundred dollars of taxable valuation, the percentage shall
26 be seventy percent;

27 (d) If such levy was at least one dollar and three cents per one
28 hundred dollars of taxable valuation but less than one dollar and four
29 cents per one hundred dollars of taxable valuation, the percentage shall
30 be eighty percent; and

31 (e) If such levy was at least one dollar and four cents per one

1 hundred dollars of taxable valuation, the percentage shall be ninety
2 percent.

3 Sec. 38. Section 79-1008.02, Reissue Revised Statutes of Nebraska,
4 is amended to read:

5 79-1008.02 A minimum levy adjustment shall be calculated and applied
6 to any local system that has a general fund common levy for the fiscal
7 year during which aid is certified that is less than the maximum levy,
8 for such fiscal year for such local system, allowed pursuant to
9 subdivision (2)(a) or (b) of section 77-3442 without a vote pursuant to
10 section 77-3444 less five cents for learning communities for the
11 calculation of aid for school fiscal years prior to school fiscal year
12 2018-19 and less ten cents for all other local systems. To calculate the
13 minimum levy adjustment, the department shall subtract the local system
14 general fund common levy for such fiscal year for such local system from
15 the maximum levy allowed pursuant to subdivision (2)(a) or (b) of section
16 77-3442 without a vote pursuant to section 77-3444 less five cents for
17 learning communities for the calculation of aid for school fiscal years
18 prior to school fiscal year 2018-19 and less ten cents for all other
19 local systems and multiply the result by the local system's adjusted
20 valuation divided by one hundred. The minimum levy adjustment shall be
21 added to the formula resources of the local system for the determination
22 of equalization aid pursuant to section 79-1008.01. If the minimum levy
23 adjustment is greater than or equal to the allocated income tax funds
24 calculated pursuant to section 79-1005.01, the local system shall not
25 receive allocated income tax funds. If the minimum levy adjustment is
26 less than the allocated income tax funds calculated pursuant to section
27 79-1005.01, the local system shall receive allocated income tax funds in
28 the amount of the difference between the allocated income tax funds
29 calculated pursuant to section 79-1005.01 and the minimum levy
30 adjustment. ~~This section does not apply to the calculation of aid for a~~
31 ~~local system containing a learning community for the first school fiscal~~

1 ~~year for which aid is calculated for such local system.~~

2 Sec. 39. Section 79-1009, Reissue Revised Statutes of Nebraska, is
3 amended to read:

4 79-1009 (1)(a) A district shall receive net option funding if (i)
5 option students as defined in section 79-233 ~~(i)~~ were actually enrolled
6 in the school year immediately preceding the school year in which the aid
7 is to be paid, ~~or~~ (ii) option students as defined in such section will be
8 enrolled in the school year in which the aid is to be paid as converted
9 contract option students, or (iii) for the calculation of aid for school
10 fiscal year 2017-18 for school districts that are members of a learning
11 community, open enrollment students were actually enrolled for school
12 year 2016-17 pursuant to section 79-2110.

13 (b) The determination of the net number of option students shall be
14 based on (i) the number of students enrolled in the district as option
15 students and the number of students residing in the district but enrolled
16 in another district as option students as of the day of the fall
17 membership count pursuant to section 79-528, for the school fiscal year
18 immediately preceding the school fiscal year in which aid is to be paid,
19 ~~and~~ (ii) the number of option students that will be enrolled in the
20 district or enrolled in another district as converted contract option
21 students for the fiscal year in which the aid is to be paid, and (iii)
22 for the calculation of aid for school fiscal year 2017-18 for school
23 districts that are members of a learning community, the number of
24 students enrolled in the district as open enrollment students and the
25 number of students residing in the district but enrolled in another
26 district as open enrollment students as of the day of the fall membership
27 count pursuant to section 79-528 for school fiscal year 2016-17.

28 (c) Except as otherwise provided in this subsection, net ~~Net~~ number
29 of option students means the difference of the number of option students
30 enrolled in the district minus the number of students residing in the
31 district but enrolled in another district as option students. For

1 purposes of the calculation of aid for school fiscal year 2017-18 for
2 school districts that are members of a learning community, net number of
3 option students means the difference of the number of students residing
4 in another school district who are option students or open enrollment
5 students enrolled in the district minus the number of students residing
6 in the district but enrolled in another district as option students or
7 open enrollment students.

8 (2) For purposes of this section, net option funding shall be the
9 sum of the product of the net number of option students multiplied by the
10 statewide average basic funding per formula student.

11 (3) A district's net option funding shall be zero if the calculation
12 produces a negative result.

13 Payments made under this section for school fiscal years prior to
14 school fiscal year 2017-18 shall be made from the funds to be disbursed
15 under section 79-1005.01.

16 Such payments shall go directly to the option school district but
17 shall count as a formula resource for the local system.

18 Sec. 40. Section 79-1017.01, Revised Statutes Supplement, 2015, is
19 amended to read:

20 79-1017.01 (1) For state aid calculated for school fiscal years
21 2014-15 and 2015-16, local system formula resources includes other actual
22 receipts determined pursuant to section 79-1018.01, net option funding
23 determined pursuant to section 79-1009, teacher education aid determined
24 for each district pursuant to section 79-1007.25, instructional time aid
25 determined pursuant to subsection (2) of section 79-1007.23, allocated
26 income tax funds determined for each district pursuant to section
27 79-1005.01, and minimum levy adjustments determined pursuant to section
28 79-1008.02 and is reduced by amounts paid by the district in the most
29 recently available complete data year as property tax refunds pursuant to
30 or in the manner prescribed by section 77-1736.06.

31 (2) For state aid calculated for school fiscal year 2016-17 and each

1 school fiscal year thereafter, local system formula resources includes
2 other actual receipts determined pursuant to section 79-1018.01, net
3 option funding determined pursuant to section 79-1009, best practices aid
4 determined pursuant to section 79-1004, if any districts in the local
5 system qualify, allocated income tax funds determined ~~for each district~~
6 pursuant to section 79-1005.01, community achievement plan aid determined
7 pursuant to section 33 of this act, and minimum levy adjustments
8 determined ~~and adjustments~~ pursuant to section 79-1008.02 and is reduced
9 by amounts paid by the district in the most recently available complete
10 data year as property tax refunds pursuant to or in the manner prescribed
11 by section 77-1736.06.

12 Sec. 41. Section 79-1018.01, Revised Statutes Supplement, 2015, is
13 amended to read:

14 79-1018.01 Except as otherwise provided in this section, local
15 system formula resources include other actual receipts available for the
16 funding of general fund operating expenditures as determined by the
17 department for the second school fiscal year immediately preceding the
18 school fiscal year in which aid is to be paid. Other actual receipts
19 include:

20 (1) Public power district sales tax revenue;

21 (2) Fines and license fees;

22 (3) Tuition receipts from individuals, other districts, or any other
23 source except receipts derived from adult education, receipts derived
24 from summer school tuition, receipts derived from early childhood
25 education tuition, tuition receipts from converted contracts beginning
26 with the calculation of state aid to be distributed in school fiscal year
27 2011-12, and receipts from educational entities as defined in section
28 79-1201.01 for providing distance education courses through the
29 Educational Service Unit Coordinating Council to such educational
30 entities;

31 (4) Transportation receipts;

1 (5) Interest on investments;

2 (6) Other miscellaneous noncategorical local receipts, not including
3 receipts from private foundations, individuals, associations, or
4 charitable organizations;

5 (7) Special education receipts;

6 (8) Special education receipts and non-special education receipts
7 from the state for wards of the court and wards of the state;

8 (9) All receipts from the temporary school fund. Receipts from the
9 temporary school fund shall only include (a) receipts pursuant to section
10 79-1035 and (b) the receipt of funds pursuant to section 79-1036 for
11 property leased for a public purpose as set forth in subdivision (1)(a)
12 of section 77-202;

13 (10) Motor vehicle tax receipts received;

14 (11) Pro rata motor vehicle license fee receipts;

15 (12) Other miscellaneous state receipts excluding revenue from the
16 textbook loan program authorized by section 79-734;

17 (13) Impact aid entitlements for the school fiscal year which have
18 actually been received by the district to the extent allowed by federal
19 law;

20 (14) All other noncategorical federal receipts;

21 ~~(15) All receipts pursuant to the enrollment option program under~~
22 ~~sections 79-232 to 79-246;~~

23 (15 16) Receipts under the federal Medicare Catastrophic Coverage
24 Act of 1988, as such act existed on January 1, 2014, as authorized
25 pursuant to sections 43-2510 and 43-2511 for services to school-age
26 children, excluding amounts designated as reimbursement for costs
27 associated with the implementation and administration of the billing
28 system pursuant to section 43-2511;

29 (16 17) Receipts for accelerated or differentiated curriculum
30 programs pursuant to sections 79-1106 to 79-1108.03; and

31 (17 18) Revenue received from the nameplate capacity tax distributed

1 pursuant to section 77-6204.

2 Sec. 42. (1) For school fiscal year 2017-18, the department shall,
3 based on data for school fiscal year 2016-17, calculate the amount of
4 learning community transition aid, if any, to be paid from the Nebraska
5 Education Improvement Fund to each school district that is a member of a
6 learning community which levied a common levy for member school districts
7 prior to school fiscal year 2017-18. Learning community transition aid
8 for each such district shall be calculated by:

9 (a) Recalculating the 2016-17 state aid for each member school
10 district as if the district were not a member of the learning community
11 using the same data that was used in the certification pursuant to
12 section 79-1022 to determine the calculated 2016-17 individual state aid
13 for each member school district;

14 (b) Multiplying the aggregate taxable valuation for all member
15 school districts for the 2016 tax year by the ratio of ninety-five cents
16 per one hundred dollars of taxable valuation and multiplying the result
17 by ninety-nine percent to determine the calculated 2016-17 common levy
18 receipts;

19 (c) Dividing the calculated 2016-17 common levy receipts among
20 member school districts proportionally based on the difference of the
21 formula need calculated pursuant to section 79-1007.11 minus the sum of
22 the state aid certified pursuant to section 79-1022 and the other actual
23 receipts included in local system formula resources pursuant to section
24 79-1018.01 for the 2016-17 school fiscal year to determine the district
25 share of the calculated 2016-17 common levy receipts for each member
26 district;

27 (d) Adding the district share of the calculated 2016-17 common levy
28 receipts to the state aid certified pursuant to section 79-1022 for the
29 2016-17 school fiscal year to determine the calculated 2016-17 common
30 levy resources total for each member school district;

31 (e) Multiplying the taxable valuation for each member school

1 district for the 2016 tax year by the ratio of ninety-five cents per one
2 hundred dollars of taxable valuation and multiplying the result by
3 ninety-nine percent to determine the calculated 2016-17 individual levy
4 receipts for each member school district;

5 (f) Adding the calculated 2016-17 individual levy receipts to the
6 calculated 2016-17 individual state aid to determine the calculated
7 2016-17 individual district resources total for each member school
8 district; and

9 (g) Multiplying the difference between the calculated 2016-17 common
10 levy resources total minus the calculated 2016-17 individual district
11 resources total for each member school district by fifty percent to equal
12 the 2017-18 learning community transition aid for each member school
13 district for which the calculated common levy resources total is greater
14 than the calculated individual district resources total.

15 (2) For school fiscal year 2018-19, the department shall, based on
16 data for school fiscal year 2017-18, calculate the amount of learning
17 community transition aid, if any, to be paid from the Nebraska Education
18 Improvement Fund to each school district that is a member of a learning
19 community which levied a common levy for member school districts prior to
20 school fiscal year 2017-18. Learning community transition aid for each
21 such district shall be calculated by:

22 (a) Recalculating the 2017-18 state aid for each member school
23 district as if the district continued to be subject to a learning
24 community general fund common levy and without any poverty allowance
25 adjustment pursuant to section 79-1007.06 or community achievement aid
26 pursuant to section 33 of this act using the same data that was used in
27 the certification pursuant to section 79-1022 to determine the calculated
28 2017-18 common levy formula need and calculated 2017-18 common levy state
29 aid for each member school district;

30 (b) Multiplying the aggregate taxable valuation for all member
31 school districts for the 2017 tax year by the ratio of ninety-five cents

1 per one hundred dollars of taxable valuation and multiplying the result
2 by ninety-nine percent to determine the calculated 2017-18 common levy
3 receipts;

4 (c) Dividing the calculated 2017-18 common levy receipts among
5 member school districts proportionally based on the difference of the
6 calculated common levy formula need minus the sum of the calculated
7 2017-18 common levy state aid and the other actual receipts included in
8 local system formula resources pursuant to section 79-1018.01 for the
9 2017-18 school fiscal year to determine the district share of the
10 calculated 2017-18 common levy receipts for each member district;

11 (d) Adding the district share of the calculated 2017-18 common levy
12 receipts to the calculated 2017-18 common levy state aid to determine the
13 calculated 2017-18 common levy resources total for each member school
14 district;

15 (e) Multiplying the taxable valuation for each member school
16 district for the 2017 tax year by the ratio of ninety-five cents per one
17 hundred dollars of taxable valuation and multiplying the result by
18 ninety-nine percent to determine the calculated 2017-18 individual levy
19 receipts for each member school district;

20 (f) Adding the calculated 2017-18 individual levy receipts to the
21 state aid certified pursuant to section 79-1022 for school fiscal year
22 2017-18 to determine the calculated 2017-18 individual district resources
23 total for each member school district; and

24 (g) Multiplying the difference between the calculated 2017-18 common
25 levy resources total minus the calculated 2017-18 individual district
26 resources total for each member school district by twenty-five percent to
27 equal the 2018-19 learning community transition aid for each member
28 school district for which the calculated common levy resources total is
29 greater than the calculated individual district resources total.

30 (3) Learning community transition aid shall not be considered in the
31 calculation of formula resources pursuant to section 79-1017.01.

1 Sec. 43. Section 79-1022, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 79-1022 (1) On or before ~~April 10, 2014, and on or before~~ March 1 of
4 each year ~~thereafter~~ for each ensuing fiscal year, the department shall
5 determine the amounts to be distributed to each local system and each
6 district for the ensuing school fiscal year pursuant to the Tax Equity
7 and Educational Opportunities Support Act and shall certify the amounts
8 to the Director of Administrative Services, the Auditor of Public
9 Accounts, each learning community for school fiscal years prior to school
10 fiscal year 2017-18, and each district. Except as otherwise provided in
11 this section, the The amount to be distributed to each district ~~that is~~
12 ~~not a member of a learning community~~ from the amount certified for a
13 local system shall be proportional based on the formula students
14 attributed to each district in the local system. For school fiscal years
15 prior to school fiscal year 2017-18, the The amount to be distributed to
16 each district that is a member of a learning community from the amount
17 certified for the local system shall be proportional based on the formula
18 needs calculated for each district in the local system. On or before
19 ~~April 10, 2014, and on or before~~ March 1 of each year ~~thereafter~~ for each
20 ensuing fiscal year, the department shall report the necessary funding
21 level for the ensuing school fiscal year to the Governor, the
22 Appropriations Committee of the Legislature, and the Education Committee
23 of the Legislature. The report submitted to the committees of the
24 Legislature shall be submitted electronically. Except as otherwise
25 provided in this subsection, certified state aid amounts, including
26 adjustments pursuant to section 79-1065.02, shall be shown as budgeted
27 non-property-tax receipts and deducted prior to calculating the property
28 tax request in the district's general fund budget statement as provided
29 to the Auditor of Public Accounts pursuant to section 79-1024.

30 (2) Except as provided in this subsection, subsection (8) of section
31 79-1016, and sections 79-1033 and 79-1065.02 and section 33 of this act,

1 the amounts certified pursuant to subsection (1) of this section shall be
2 distributed in ten as nearly as possible equal payments on the last
3 business day of each month beginning in September of each ensuing school
4 fiscal year and ending in June of the following year, except that when a
5 school district is to receive a monthly payment of less than one thousand
6 dollars, such payment shall be one lump-sum payment on the last business
7 day of December during the ensuing school fiscal year.

8 Sec. 44. Section 79-1024, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 79-1024 (1) The department may require each district to submit to
11 the department a duplicate copy of such portions of the district's budget
12 statement as the Commissioner of Education directs. The department may
13 verify any data used to meet the requirements of the Tax Equity and
14 Educational Opportunities Support Act. The Auditor of Public Accounts
15 shall review each district's budget statement for statutory compliance,
16 make necessary changes in the budget documents for districts to
17 effectuate the budget limitations imposed pursuant to sections 79-1023 to
18 79-1030, and notify the Commissioner of Education of any district failing
19 to submit to the auditor the budget documents required pursuant to this
20 subsection by the date established in subsection (1) of section 13-508 or
21 failing to make any corrections of errors in the documents pursuant to
22 section 13-504 or 13-511.

23 (2) If a school district fails to submit to the department or the
24 auditor the budget documents required pursuant to subsection (1) of this
25 section by the date established in subsection (1) of section 13-508 or
26 fails to make any corrections of errors in the documents pursuant to
27 section 13-504 or 13-511, the commissioner, upon notification from the
28 auditor or upon his or her own knowledge that the required budget
29 documents and any required corrections of errors from any school district
30 have not been properly filed in accordance with the Nebraska Budget Act
31 and after notice to the district and an opportunity to be heard, shall

1 direct that any state aid granted pursuant to the Tax Equity and
2 Educational Opportunities Support Act be withheld until such time as the
3 required budget documents or corrections of errors are received by the
4 auditor and the department. In addition, the commissioner shall direct
5 the county treasurer to withhold all school money belonging to the school
6 district until such time as the commissioner notifies the county
7 treasurer of receipt of the required budget documents or corrections of
8 errors. The county treasurer shall withhold such money. For school
9 districts that are members of learning communities, a determination of
10 school money belonging to the district shall be based on the
11 proportionate share of property tax receipts allocated to the school
12 district by the learning community coordinating council for school fiscal
13 years prior to school fiscal year 2017-18, and the county treasurer shall
14 withhold any such school money in the possession of the county treasurer
15 from the school district. If the school district does not comply with
16 this section prior to the end of the state's biennium following the
17 biennium which included the fiscal year for which state aid was
18 calculated, the state aid funds shall revert to the General Fund. The
19 amount of any reverted funds shall be included in data provided to the
20 Governor in accordance with section 79-1031. The board of any district
21 failing to submit to the department or the auditor the budget documents
22 required pursuant to this section by the date established in subsection
23 (1) of section 13-508 or failing to make any corrections of errors in the
24 documents pursuant to section 13-504 or 13-511 shall be liable to the
25 school district for all school money which such district may lose by such
26 failing.

27 Sec. 45. Section 79-1033, Reissue Revised Statutes of Nebraska, is
28 amended to read:

29 79-1033 (1) Except as otherwise provided in the Tax Equity and
30 Educational Opportunities Support Act, state aid payable pursuant to the
31 act for each school fiscal year shall be based upon data found in

1 applicable reports for the most recently available complete data year.
2 The annual financial reports and the annual statistical summary of all
3 school districts shall be submitted to the Commissioner of Education
4 pursuant to the dates prescribed in section 79-528. If a school district
5 fails to timely submit its reports, the commissioner, after notice to the
6 district and an opportunity to be heard, shall direct that any state aid
7 granted pursuant to the act be withheld until such time as the reports
8 are received by the department. In addition, the commissioner shall
9 direct the county treasurer to withhold all school money belonging to the
10 school district until such time as the commissioner notifies the county
11 treasurer of receipt of such reports. The county treasurer shall withhold
12 such money. For school districts that are members of learning
13 communities, a determination of school money belonging to the district
14 shall be based on the proportionate share of state aid and property tax
15 receipts allocated to the school district by the learning community
16 coordinating council for school fiscal years prior to school fiscal year
17 2017-18, and the county treasurer shall withhold any such school money in
18 the possession of the county treasurer from the school district. If the
19 school district does not comply with this section prior to the end of the
20 state's biennium following the biennium which included the school fiscal
21 year for which state aid was calculated, the state aid funds shall revert
22 to the General Fund. The amount of any reverted funds shall be included
23 in data provided to the Governor in accordance with section 79-1031.

24 (2) A district which receives, or has received in the most recently
25 available complete data year or in either of the two school fiscal years
26 preceding the most recently available complete data year, federal funds
27 in excess of twenty-five percent of its general fund budget of
28 expenditures may apply for early payment of state aid paid pursuant to
29 the act when such federal funds are not received in a timely manner. Such
30 application may be made at any time by a district suffering such
31 financial hardship and may be for any amount up to fifty percent of the

1 remaining amount to which the district is entitled during the current
2 school fiscal year. The state board may grant the entire amount applied
3 for or any portion of such amount if the state board finds that a
4 financial hardship exists in the district. The state board shall notify
5 the Director of Administrative Services of the amount of funds to be paid
6 in lump sum and the reduced amount of the monthly payments. The Director
7 of Administrative Services shall, at the time of the next state aid
8 payment made pursuant to section 79-1022, draw a warrant for the lump-sum
9 amount from appropriated funds and forward such warrant to the district.
10 For purposes of this subsection, financial hardship means a situation in
11 which income to a district is exceeded by liabilities to such a degree
12 that if early payment is not received it will be necessary for the
13 district to discontinue vital services or functions.

14 Sec. 46. Section 79-1036, Reissue Revised Statutes of Nebraska, is
15 amended to read:

16 79-1036 (1) In making the apportionment under section 79-1035, the
17 Commissioner of Education shall distribute from the school fund for
18 school purposes, to (a) for school fiscal years prior to school fiscal
19 year 2017-18, any and all learning communities and school districts which
20 are not members of a learning community, and (b) for school fiscal year
21 2017-18 and each school fiscal year thereafter, all school districts, in
22 which there are situated school lands which have not been sold and
23 transferred by deed or saline lands owned by the state, which lands are
24 being used for a public purpose, an amount in lieu of tax money that
25 would be raised by school district levies ~~and learning community common~~
26 ~~levies for which the proceeds are distributed to member school districts~~
27 ~~pursuant to sections 79-1073 and 79-1073.01~~ if such lands were taxable,
28 to be ascertained in accordance with subsection (2) of this section,
29 except that:

30 (i) ~~(a)~~ For Class I districts or portions thereof which are
31 affiliated and in which there are situated school or saline lands,

1 38.6207 percent of the in lieu of land tax money calculated pursuant to
2 subsection (2) of this section, based on the affiliated school system tax
3 levy computed pursuant to section 79-1077, shall be distributed to the
4 affiliated high school district and the remainder shall be distributed to
5 the Class I district;

6 (ii) ~~(b)~~ For Class I districts or portions thereof which are part of
7 a Class VI district which offers instruction in grades nine through
8 twelve and in which there are situated school or saline lands, 38.6207
9 percent of the in lieu of land tax money calculated pursuant to
10 subsection (2) of this section, based on the Class VI school system levy
11 computed pursuant to section 79-1078, shall be distributed to the Class
12 VI district and the remainder shall be distributed to the Class I
13 district;

14 (iii) ~~(c)~~ For Class I districts or portions thereof which are part
15 of a Class VI district which offers instruction in grades seven through
16 twelve and in which there are situated school or saline lands, 55.1724
17 percent of the in lieu of land tax money calculated pursuant to
18 subsection (2) of this section, based on the Class VI school system levy
19 computed pursuant to section 79-1078, shall be distributed to the Class
20 VI district and the remainder shall be distributed to the Class I
21 district; and

22 (iv) ~~(d)~~ For Class I districts or portions thereof which are part of
23 a Class VI district which offers instruction in grades six through twelve
24 and in which there are situated school or saline lands, 62.0690 percent
25 of the in lieu of land tax money calculated pursuant to subsection (2) of
26 this section, based on the Class VI school system levy computed pursuant
27 to section 79-1078, shall be distributed to the Class VI district and the
28 remainder shall be distributed to the Class I district.

29 (2) The county assessor shall certify to the Commissioner of
30 Education the tax levies of each school district and, for levies
31 certified prior to January 1, 2017, learning community in which school

1 land or saline land is located and the last appraised value of such
2 school land, which value shall be the same percentage of the appraised
3 value as the percentage of the assessed value is of market value in
4 subsection (2) of section 77-201 for the purpose of applying the
5 applicable tax levies for each district and, for levies certified prior
6 to January 1, 2017, learning community in determining the distribution to
7 the districts of such amounts. The school board of any school district
8 and, for levies certified prior to January 1, 2017, the learning
9 community coordinating council of any learning community in which there
10 is located any leased or undeeded school land or saline land subject to
11 this section may appeal to the Board of Educational Lands and Funds for a
12 reappraisalment of such school land if such school board or learning
13 community coordinating council deems the land not appraised in proportion
14 to the value of adjoining land of the same or similar value. The Board of
15 Educational Lands and Funds shall proceed to investigate the facts
16 involved in such appeal and, if the contention of the school board or
17 learning community coordinating council is correct, make the proper
18 reappraisalment. The value calculation in this subsection shall be used by
19 the Commissioner of Education for making distributions in each school
20 fiscal year.

21 Sec. 47. Section 79-1041, Reissue Revised Statutes of Nebraska, is
22 amended to read:

23 79-1041 Each county treasurer of a county with territory in a
24 learning community shall distribute any funds collected by such county
25 treasurer from the common general fund levy ~~and the common building fund~~
26 ~~levy~~ of such learning community to each member school district pursuant
27 to section 79-1073 ~~sections 79-1073 and 79-1073.01~~ at least once each
28 month.

29 Each county treasurer shall, upon request of a majority of the
30 members of the school board or board of education in any school district,
31 at least once each month distribute to the district any funds collected

1 by such county treasurer for school purposes.

2 Sec. 48. Section 79-1073, Reissue Revised Statutes of Nebraska, is
3 amended to read:

4 79-1073 On or before September 1 for each year prior to 2017, each
5 learning community coordinating council shall determine the expected
6 amounts to be distributed by the county treasurers to each member school
7 district from general fund property tax receipts pursuant to subdivision
8 (2)(b) of section 77-3442 and shall certify such amounts to each member
9 school district, the county treasurer for each county containing
10 territory in the learning community, and the State Department of
11 Education. Such property tax receipts shall be divided among member
12 school districts proportionally based on the difference of the school
13 district's formula need calculated pursuant to section 79-1007.11 minus
14 the sum of the state aid certified pursuant to section 79-1022 and the
15 other actual receipts included in local system formula resources pursuant
16 to section 79-1018.01 for the school fiscal year for which the
17 distribution is being made.

18 Each time the county treasurer distributes property tax receipts
19 from the common general fund levy to member school districts, the amount
20 to be distributed to each district shall be proportional based on the
21 total amounts to be distributed to each member school district for the
22 school fiscal year. Each time the county treasurer certifies a property
23 tax refund pursuant to section 77-1736.06 based on the common general
24 fund levy for member school districts or any entity issues an in lieu of
25 property tax reimbursement based on the common general fund levy for
26 member school districts, including amounts paid pursuant to sections
27 70-651.01 and 79-1036, the amount to be certified or reimbursed to each
28 district shall be proportional on the same basis as property tax receipts
29 from such levy are distributed to member school districts.

30 Sec. 49. Section 79-1075, Reissue Revised Statutes of Nebraska, is
31 amended to read:

1 79-1075 (1) The county board of the county in which is located the
2 schoolhouse or the administrative office of any joint school district or,
3 for years prior to 2017, learning community shall make a levy for the
4 school district or, for years prior to 2017, learning community, as may
5 be necessary, and the county clerk of that headquarters county shall
6 certify the levy, on or before the date prescribed in section 77-1601, to
7 the county clerk of each county in which is situated any portion of the
8 joint school district or learning community. This section shall apply to
9 all taxes levied on behalf of school districts, including, but not
10 limited to, taxes authorized by sections 10-304, 10-711, 10-716.01,
11 77-1601, 79-747, 79-1077, 79-1084, 79-1085, 79-1086, 79-10,100,
12 79-10,110, 79-10,118, 79-10,120, 79-10,122, and 79-10,126.

13 (2) The county board of the county in which is located the
14 schoolhouse or the administrative office of the high school district of a
15 joint affiliated school system shall make a levy for the joint affiliated
16 school system, as may be necessary, and the county clerk of that
17 headquarters county shall certify the levy, on or before the date
18 prescribed in section 77-1601, to the county clerk of each county in
19 which is situated any portion of the joint affiliated school system. This
20 section shall apply to all taxes levied on behalf of affiliated school
21 systems, including, but not limited to, taxes authorized by sections
22 10-716.01, 79-1077, and 79-10,110.

23 Sec. 50. Section 79-1083, Reissue Revised Statutes of Nebraska, is
24 amended to read:

25 79-1083 At the time the budget statement is certified to the levying
26 board, each school board shall deliver to the county clerk of the
27 headquarters county a copy of its adopted budget statement. If the school
28 district is a member of a learning community, the school board shall also
29 deliver to the learning community coordinating council a copy of the
30 adopted budget statement for school fiscal years prior to school fiscal
31 year 2017-18.

1 Sec. 51. Section 79-1084, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 79-1084 The school board of a Class III school district shall
4 annually, on or before September 20, report in writing to the county
5 board and, for years prior to 2017, the learning community coordinating
6 council if the school district is a member of a learning community the
7 entire revenue raised by taxation and all other sources and received by
8 the school board for the previous school fiscal year and a budget for the
9 ensuing school fiscal year broken down generally as follows: (1) The
10 amount of funds required for the support of the schools during the
11 ensuing school fiscal year; (2) the amount of funds required for the
12 purchase of school sites; (3) the amount of funds required for the
13 erection of school buildings; (4) the amount of funds required for the
14 payment of interest upon all bonds issued for school purposes; and (5)
15 the amount of funds required for the creation of a sinking fund for the
16 payment of such indebtedness. The secretary shall publish, within ten
17 days after the filing of such budget, a copy of the fund summary pages of
18 the budget one time at the legal rate prescribed for the publication of
19 legal notices in a legal newspaper published in and of general
20 circulation in such city or village or, if none is published in such city
21 or village, in a legal newspaper of general circulation in the city or
22 village. The secretary of the school board failing or neglecting to
23 comply with this section shall be deemed guilty of a Class V misdemeanor
24 and, in the discretion of the court, the judgment of conviction may
25 provide for the removal from office of such secretary for such failure or
26 neglect. For Class III school districts that are not members of a
27 learning community, the county board shall levy and collect such taxes as
28 are necessary to provide the amount of revenue from property taxes as
29 indicated by all the data contained in the budget and the certificate
30 prescribed by this section, at the time and in the manner provided in
31 section 77-1601.

1 Sec. 52. Section 79-1086, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 79-1086 (1) The board of education of a Class V school district that
4 is not a member of a learning community shall annually during the month
5 of July estimate the amount of resources likely to be received for school
6 purposes, including the amounts available from fines, licenses, and other
7 sources. Before the county board of equalization makes its levy each
8 year, the board of education shall report to the county clerk the rate of
9 tax deemed necessary to be levied upon the taxable value of all the
10 taxable property of the district subject to taxation during the fiscal
11 year next ensuing for (a) the support of the schools, (b) the purchase of
12 school sites, (c) the erection, alteration, equipping, and furnishing of
13 school buildings and additions to school buildings, (d) the payment of
14 interest upon all bonds issued for school purposes, and (e) the creation
15 of a sinking fund for the payment of such indebtedness. The county board
16 of equalization shall levy the rate of tax so reported and demanded by
17 the board of education and collect the tax in the same manner as other
18 taxes are levied and collected.

19 (2) The school board of a Class V school district that is a member
20 of a learning community shall annually, on or before September 20 of each
21 year prior to 2017, report in writing to the county board and the
22 learning community coordinating council the entire revenue raised by
23 taxation and all other sources and received by the school board for the
24 previous school fiscal year and a budget for the ensuing school fiscal
25 year broken down generally as follows: (a) The amount of funds required
26 for the support of the schools during the ensuing school fiscal year; (b)
27 the amount of funds required for the purchase of school sites; (c) the
28 amount of funds required for the erection of school buildings; (d) the
29 amount of funds required for the payment of interest upon all bonds
30 issued for school purposes; and (e) the amount of funds required for the
31 creation of a sinking fund for the payment of such indebtedness. The

1 secretary shall publish, within ten days after the filing of such budget,
2 a copy of the fund summary pages of the budget one time at the legal rate
3 prescribed for the publication of legal notices in a legal newspaper
4 published in and of general circulation in such city or village or, if
5 none is published in such city or village, in a legal newspaper of
6 general circulation in the city or village. The secretary of the school
7 board failing or neglecting to comply with this section shall be deemed
8 guilty of a Class V misdemeanor and, in the discretion of the court, the
9 judgment of conviction may provide for the removal from office of such
10 secretary for such failure or neglect.

11 Sec. 53. Section 79-10,120, Reissue Revised Statutes of Nebraska, is
12 amended to read:

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

1 Sec. 54. Section 79-10,126, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 79-10,126 For school fiscal year 2017-18 and each school fiscal
4 year thereafter, each A Class V school district ~~that is not a member of a~~
5 ~~learning community~~ shall establish (1) for the general operation of the
6 schools, such fund as will result from an annual levy of such rate of tax
7 upon the taxable value of all the taxable property in such school
8 district as the board of education determines to be necessary for such
9 purpose, (2) a fund resulting from an annual amount of tax to be
10 determined by the board of education of not to exceed fourteen cents on
11 each one hundred dollars upon the taxable value of all the taxable
12 property in the district for the purpose of acquiring sites of school
13 buildings and the erection, alteration, equipping, and furnishing of
14 school buildings and additions to school buildings, which tax levy shall
15 be used for no other purposes, and (3) a further fund resulting from an
16 annual amount of tax to be determined by the board of education to pay
17 interest on and retiring, funding, or servicing of bonded indebtedness of
18 the district.

19 Sec. 55. Section 79-10,126.01, Reissue Revised Statutes of Nebraska,
20 is amended to read:

21 79-10,126.01 For school fiscal years prior to school fiscal year
22 2017-18, each A Class V school district ~~that is a member of a learning~~
23 ~~community~~ shall establish (1) for the general operation of the schools,
24 such fund as will result from distributions pursuant to section 79-1073
25 from the learning community levy and any annual levy of such rate of tax
26 upon the taxable value of all the taxable property in such school
27 district as the board of education determines to be necessary for such
28 purpose and as authorized pursuant to subdivision (2)(c) of section
29 77-3442, (2) for the purpose of acquiring sites of school buildings and
30 the erection, alteration, equipping, and furnishing of school buildings
31 and additions to school buildings, a fund as will result from

1 distributions from the ~~learning community levy pursuant to section~~
2 ~~79-1073.01~~ and any annual levy of such rate of tax upon the taxable value
3 of all the taxable property in such school district as the school board
4 determines to be necessary for such purpose and as authorized pursuant to
5 subdivision (2)(c) of section 77-3442, which fund shall be used for no
6 other purposes, and (3) a further fund resulting from an annual amount of
7 tax to be determined by the board of education to pay interest on and for
8 retiring, funding, or servicing of bonded indebtedness of the district.

9 Sec. 56. Section 79-1140, Reissue Revised Statutes of Nebraska, is
10 amended to read:

11 79-1140 Except as provided in sections 79-232 to 79-246 and section
12 15 of this act, each school district shall pay an amount equal to the
13 average per pupil cost of the service agency of the preceding year or the
14 cost as agreed upon pursuant to the contract to the agency providing the
15 educational program for every child with a disability who is a resident
16 of the district and is attending an educational program not operated by
17 the school district, including programs operated by the State Department
18 of Education, the Department of Health and Human Services, and any other
19 service agency whose programs are approved by the State Department of
20 Education.

21 Sec. 57. Section 79-11,155, Reissue Revised Statutes of Nebraska, is
22 amended to read:

23 79-11,155 The Commissioner of Education shall appoint a student
24 achievement coordinator, subject to confirmation by a majority vote of
25 the members of the State Board of Education. The coordinator shall have a
26 background and training in addressing the unique educational needs of
27 low-achieving students, including students in poverty, limited English
28 proficient students, and highly mobile students.

29 The coordinator shall evaluate and coordinate existing resources for
30 effective programs to increase achievement for such students across the
31 state and shall review poverty plans submitted to the State Department of

1 Education pursuant to section 79-1013 and limited English proficiency
2 plans submitted to the department pursuant to section 79-1014 to
3 ascertain successful practices being used by school districts in Nebraska
4 and to assist school districts in improving their poverty and limited
5 English proficiency plans, including the evaluation components. The
6 coordinator need not review the poverty and limited English proficiency
7 plans of each school district on an annual basis but shall develop a
8 review schedule which assures that plans are reviewed periodically.

9 The coordinator or other department staff designated by the
10 Commissioner of Education shall also consult with learning communities,
11 educational service units, and school districts on the development,
12 implementation, and evaluation of community achievement plans. In
13 addition, the coordinator or other department staff designated by the
14 commissioner shall conduct an initial review of submitted community
15 achievement plans and return the plans with any suggestions or comments
16 prior to the final submission of the plan for approval by the State Board
17 of Education.

18 Sec. 58. (1) Community achievement plans shall be submitted by
19 learning community coordinating councils to the State Board of Education
20 for approval.

21 (2) Community achievement plans shall be developed, in consultation
22 with the student achievement coordinator or other department staff
23 designated by the Commissioner of Education, by the learning community
24 submitting the plan, the learning community advisory committee, and
25 educational service units with member school districts that are members
26 of the learning community.

27 (3) Community achievement plans and plan renewals shall be submitted
28 to the State Department of Education for an initial review by the student
29 achievement coordinator or other department staff designated by the
30 commissioner on or before January 1, 2017, for community achievement
31 plans to be implemented beginning with school year 2017-18 and on or

1 before January 1 immediately preceding the school year when the plan or
2 plan renewal will be implemented. The student achievement coordinator or
3 other department staff designated by the commissioner shall return the
4 plan or plan renewal with any suggestions or comments on or before the
5 immediately following February 15 to allow the plan to be revised prior
6 to submission on or before March 15 for final approval by the state board
7 at the state board's April meeting. If the state board rejects a plan or
8 plan renewal, the reasons for the rejection shall be included with the
9 notice of rejection and an opportunity shall be provided to revise the
10 plan or plan renewal and for participating collaborators to appear before
11 the board prior to a reconsideration of approval.

12 (4) The state board shall not approve or renew a community
13 achievement plan unless the plan:

14 (a) Receives the commitment of all member school districts to
15 participate in the plan for the three-year plan period;

16 (b) Clearly describes the plan responsibilities for each
17 participating school district, the submitting learning community, the
18 educational service unit, and any other collaborating entities;

19 (c) Includes an evaluation of achievement equity and an
20 identification of achievement barriers across the participating school
21 districts;

22 (d) Relies on the collaboration of all participating districts to
23 address achievement equity and barriers to achievement across such school
24 districts using evidence-based methods;

25 (e) Aligns with plans used by participating districts for
26 accreditation, poverty, limited English proficiency, and federal funds;

27 (f) Evaluates the effectiveness of the efforts to address
28 achievement equity and barriers to achievement through the community
29 achievement plan and through other aligned plans in an effort to
30 determine, encourage, and promulgate best practices and the efficient use
31 of resources;

1 (g) Has a high likelihood, in the opinion of the state board based
2 on the evidence presented, of improving achievement equity and reducing
3 the impact of barriers to achievement; and

4 (h) For renewals, reflects changes in the plans and the actions of
5 the collaborators in response to evaluation results.

6 (5) An approved plan shall remain in effect for three years except
7 as revised with the approval of the state board. The learning community
8 shall submit a report on the success of the plan, evaluation results, and
9 proposed revisions by December 1 immediately following the completion of
10 the first two years of implementation and every three years thereafter.

11 (6) The department shall adopt and promulgate rules and regulations
12 establishing procedures for plan approval and technical assistance that
13 allow for a preliminary review and recommendations from the department
14 prior to submission of the final plan for approval by the state board.
15 Such procedures shall also provide for an appeal process for plans that
16 have not been approved, which includes an opportunity to present evidence
17 to the state board.

18 Sec. 59. Section 79-1241.03, Reissue Revised Statutes of Nebraska,
19 is amended to read:

20 79-1241.03 (1) Two percent of the funds appropriated for core
21 services and technology infrastructure shall be transferred to the
22 Educational Service Unit Coordinating Council. The remainder of such
23 funds shall be distributed pursuant to subsections (2) through (~~5~~ 6) of
24 this section.

25 (2)(a) The distance education and telecommunications allowance for
26 each educational service unit shall equal eighty-five percent of the
27 difference of the costs for telecommunications services, for access to
28 data transmission networks that transmit data to and from the educational
29 service unit, and for the transmission of data on such networks paid by
30 the educational service unit as reported on the annual financial report
31 for the most recently available complete data year minus the receipts

1 from the federal Universal Service Fund pursuant to 47 U.S.C. 254, as
2 such section existed on January 1, 2007, for the educational service unit
3 as reported on the annual financial report for the most recently
4 available complete data year and minus any receipts from school districts
5 or other educational entities for payment of such costs as reported on
6 the annual financial report of the educational service unit.

7 (b) The base allocation of each educational service unit shall equal
8 two and one-half percent of the funds appropriated for distribution
9 pursuant to this section.

10 (c) The satellite office allocation for each educational service
11 unit shall equal one percent of the funds appropriated for distribution
12 pursuant to this section for each office of the educational service unit,
13 except the educational service unit headquarters, up to the maximum
14 number of satellite offices. The maximum number of satellite offices used
15 for the calculation of the satellite office allocation for any
16 educational service unit shall equal the difference of the ratio of the
17 number of square miles within the boundaries of the educational service
18 unit divided by four thousand minus one with the result rounded to the
19 closest whole number.

20 (d) The statewide adjusted valuation shall equal the total adjusted
21 valuation for all member districts of educational service units pursuant
22 to section 79-1016 used for the calculation of state aid for school
23 districts pursuant to the Tax Equity and Educational Opportunities
24 Support Act for the school fiscal year for which the distribution is
25 being calculated pursuant to this section.

26 (e) The adjusted valuation for each educational service unit shall
27 equal the total adjusted valuation of the member school districts
28 pursuant to section 79-1016 used for the calculation of state aid for
29 school districts pursuant to the act for the school fiscal year for which
30 the distribution is being calculated pursuant to this section, except
31 that such adjusted valuation for member school districts that are also

1 member districts of a learning community shall be reduced by fifty
2 percent for school fiscal years ~~2008-09 and 2009-10~~, thirty percent for
3 school fiscal year ~~2010-11~~, and ten percent for each school fiscal year
4 thereafter. The adjusted valuation for each learning community shall
5 equal ~~fifty percent, for school fiscal years 2008-09 and 2009-10~~, thirty
6 percent, for school fiscal year ~~2010-11~~, and ten percent, for each school
7 fiscal year thereafter, of the total adjusted valuation of the member
8 school districts pursuant to section 79-1016 used for the calculation of
9 state aid for school districts pursuant to the act for the school fiscal
10 year for which the distribution is being calculated pursuant to this
11 section.

12 (f) The local effort rate shall equal \$0.0135 per one hundred
13 dollars of adjusted valuation.

14 (g) The statewide student allocation shall equal the difference of
15 the sum of the amount appropriated for distribution pursuant to this
16 section plus the product of the statewide adjusted valuation multiplied
17 by the local effort rate minus the distance education and
18 telecommunications allowance, base allocation, and satellite office
19 allocation for all educational service units and minus any adjustments
20 required by subsection (~~4~~ 5) of this section.

21 (h) The sparsity adjustment for each educational service unit and
22 learning community shall equal the sum of one plus one-tenth of the ratio
23 of the square miles within the boundaries of the educational service unit
24 divided by the fall membership of the member school districts for the
25 school fiscal year immediately preceding the school fiscal year for which
26 the distribution is being calculated pursuant to this section.

27 (i) The adjusted students for each multidistrict educational service
28 unit shall equal the fall membership for the school fiscal year
29 immediately preceding the school fiscal year for which aid is being
30 calculated of the member school districts that will not be members of a
31 learning community and ninety percent of the fall membership for such

1 school fiscal year of the member school districts that will be members of
2 a learning community pursuant to this section multiplied by the sparsity
3 adjustment for the educational service unit. The adjusted students for
4 each single-district educational service unit shall equal ninety-five
5 percent of the fall membership for the school fiscal year immediately
6 preceding the school fiscal year for which aid is being calculated if the
7 member school district will not be a member of a learning community and
8 eighty-five percent of the fall membership for such school fiscal year if
9 the member school district will be a member of a learning community
10 pursuant to this section, multiplied by the sparsity adjustment for the
11 educational service unit. The adjusted students for each learning
12 community shall equal ten percent of the fall membership for such school
13 fiscal year of the member school districts multiplied by the sparsity
14 adjustment for the learning community.

15 (j) The per student allocation shall equal the statewide student
16 allocation divided by the total adjusted students for all educational
17 service units and learning communities.

18 (k) The student allocation for each educational service unit and
19 learning community shall equal the per student allocation multiplied by
20 the adjusted students for the educational service unit or learning
21 community.

22 (l) The needs for each educational service unit shall equal the sum
23 of the distance education and telecommunications allowance, base
24 allocation, satellite office allocation, and student allocation for the
25 educational service unit and the needs for each learning community shall
26 equal the student allocation for the learning community.

27 (m) The distribution of core services and technology infrastructure
28 funds for each educational service unit and learning community shall
29 equal the needs for each educational service unit or learning community
30 minus the product of the adjusted valuation for the educational service
31 unit or learning community multiplied by the local effort rate.

1 (3) If an educational service unit is the result of a merger or
2 received new member school districts from another educational service
3 unit, the educational service unit shall be considered a new educational
4 service unit for purposes of this section. For each new educational
5 service unit, the needs minus the distance education and
6 telecommunications allowance for such new educational service unit shall,
7 for each of the three fiscal years following the fiscal year in which the
8 merger takes place or the new member school districts are received, equal
9 an amount not less than the needs minus the distance education and
10 telecommunications allowance for the portions of the educational service
11 units transferred to the new educational service unit for the fiscal year
12 immediately preceding the merger or receipt of new member school
13 districts, except that if the total amount available to be distributed
14 pursuant to subsections (2) through (5 ~~6~~) of this section for the year
15 for which needs are being calculated is less than the total amount
16 distributed pursuant to such subsections for the fiscal year immediately
17 preceding the merger or receipt of new member school districts, the
18 minimum needs minus the distance education and telecommunications
19 allowance for each educational service unit pursuant to this subsection
20 shall be reduced by a percentage equal to the ratio of such difference
21 divided by the total amount distributed pursuant to subsections (2)
22 through (5 ~~6~~) of this section for the fiscal year immediately preceding
23 the merger or receipt of new member school districts. The needs minus the
24 distance education and telecommunications allowance for the portions of
25 educational service units transferred to the new educational service unit
26 for the fiscal year immediately preceding a merger or receipt of new
27 member school districts shall equal the needs minus the distance
28 education and telecommunications allowance calculated for such fiscal
29 year pursuant to subsections (2) through (5 ~~6~~) of this section for any
30 educational service unit affected by the merger or the transfer of school
31 districts multiplied by a ratio equal to the valuation that was

1 transferred to the new educational service unit for which the minimum is
2 being calculated divided by the total valuation of the educational
3 service unit transferring the territory.

4 ~~(4) For fiscal years 2010-11 through 2013-14, each educational~~
5 ~~service unit shall have needs minus the distance education and~~
6 ~~telecommunications allowance equal to an amount not less than ninety-five~~
7 ~~percent of the needs minus the distance education and telecommunications~~
8 ~~allowance for the immediately preceding fiscal year, except that if the~~
9 ~~total amount available to be distributed pursuant to subsections (2)~~
10 ~~through (6) of this section for the year for which needs are being~~
11 ~~calculated is less than the total amount distributed pursuant to such~~
12 ~~subsections for the immediately preceding fiscal year, the minimum needs~~
13 ~~minus the distance education and telecommunications allowance for each~~
14 ~~educational service unit pursuant to this subsection shall be reduced by~~
15 ~~a percentage equal to the ratio of such difference divided by the total~~
16 ~~amount distributed pursuant to subsections (2) through (6) of this~~
17 ~~section.~~

18 (4 5) If the minimum needs minus the distance education and
19 telecommunications allowance pursuant to subsection (3) ~~or~~ (4) of this
20 section for any educational service unit exceeds the amount that would
21 otherwise be calculated for such educational service unit pursuant to
22 subsection (2) of this section, the statewide student allocation shall be
23 reduced such that the total amount to be distributed pursuant to this
24 section equals the appropriation for core services and technology
25 infrastructure funds and no educational service unit has needs minus the
26 distance education and telecommunications allowance less than the greater
27 of any minimum amounts calculated for such educational service unit
28 pursuant to subsection (3) ~~subsections (3) and (4)~~ of this section.

29 (5 6) The State Department of Education shall certify the
30 distribution of core services and technology infrastructure funds
31 pursuant to subsections (2) through (5 6) of this section to each

1 educational service unit and learning community on or before July 1 of
2 each year for the following school fiscal year. Except as otherwise
3 provided in this subsection, any funds appropriated for distribution
4 pursuant to this section shall be distributed in ten as nearly as
5 possible equal payments on the first business day of each month beginning
6 in September of each school fiscal year and ending in June. ~~Funds to be~~
7 ~~distributed to a learning community in school fiscal year 2010-11 shall~~
8 ~~be distributed in ten payments on the first business day of each month~~
9 ~~beginning in September 2010 and ending in June 2011, with each of the~~
10 ~~first five payments equal as nearly as possible to seventeen percent of~~
11 ~~the amount to be distributed and with each of the last five payments~~
12 ~~equal as nearly as possible to three percent of the amount to be~~
13 ~~distributed.~~ Funds distributed to educational service units pursuant to
14 this section shall be used for core services and technology
15 infrastructure with the approval of representatives of two-thirds of the
16 member school districts of the educational service unit, representing a
17 majority of the adjusted students in the member school districts used in
18 calculations pursuant to this section for such funds. The valuation of
19 individual school districts shall not be considered in the utilization of
20 such core services or technology infrastructure funds by member school
21 districts for funds received after July 1, 2010. ~~Funds distributed to~~
22 ~~learning communities on or before January 15, 2011, shall be used for~~
23 ~~learning community purposes with the approval of the learning community~~
24 ~~coordinating council.~~ Funds distributed to learning communities after
25 ~~January 15, 2011,~~ shall be used for evaluation and research pursuant to
26 section 79-2104.02 with the approval of the learning community
27 coordinating council.

28 (6 7) For purposes of this section, the determination of whether or
29 not a school district will be a member of an educational service unit or
30 a learning community shall be based on the information available May 1
31 for the following school fiscal year.

1 (7 8) It is the intent of the Legislature that:

2 (a) Funding for core services and technology infrastructure for each
3 educational service unit consist of both amounts received pursuant to
4 this section and an amount greater than or equal to the product of the
5 adjusted valuation for the educational service unit multiplied by the
6 local effort rate; and

7 (b) Each multidistrict educational service unit use an amount equal
8 to at least five percent of such funding for core services and technology
9 infrastructure for cooperative projects between member school districts
10 and that each such educational service unit use an amount equal to at
11 least five percent of such funding for core services and technology
12 infrastructure for statewide projects managed by the Educational Service
13 Unit Coordinating Council.

14 Sec. 60. Section 79-1245, Reissue Revised Statutes of Nebraska, is
15 amended to read:

16 79-1245 (1) The Educational Service Unit Coordinating Council is
17 ~~created as of July 1, 2008. On such date the assets and liabilities of~~
18 ~~the Distance Education Council shall be transferred to the Educational~~
19 ~~Service Unit Coordinating Council.~~ The council shall be composed of one
20 administrator from each educational service unit and beginning July 1,
21 2017, one nonvoting administrator from each learning community. The
22 council shall be funded from two percent of the core services and
23 technology infrastructure funding appropriated pursuant to section
24 79-1241.03, appropriations by the Legislature for distance education, and
25 fees established for services provided to educational entities.

26 (2) The council is a political subdivision and a public body
27 corporate and politic of this state, exercising public powers separate
28 from the participating educational service units. The council shall have
29 the duties, privileges, immunities, rights, liabilities, and disabilities
30 of a political subdivision and a public body corporate and politic but
31 shall not have taxing power.

1 (3) The council shall have power (a) to sue and be sued, (b) to have
2 a seal and alter the same at will or to dispense with the necessity
3 thereof, (c) to make and execute contracts and other instruments, (d) to
4 receive, hold, and use money and real and personal property, (e) to hire
5 and compensate employees, including certificated employees, (f) to act as
6 a fiscal agent for statewide initiatives being implemented by employees
7 of one or more educational service units, and (g) from time to time, to
8 make, amend, and repeal bylaws, rules, and regulations not inconsistent
9 with sections 79-1245 to 79-1249. Such power shall only be used as
10 necessary or convenient to carry out and effectuate the powers and
11 purposes of the council.

12 Sec. 61. Section 79-2104, Reissue Revised Statutes of Nebraska, is
13 amended to read:

14 79-2104 A learning community coordinating council shall have the
15 authority to:

16 (1) ~~For fiscal years prior to fiscal year 2017-18, levy~~ Levy a
17 common levy for the general funds of member school districts pursuant to
18 sections 77-3442 and 79-1073;

19 ~~(2) Levy a common levy for the special building funds of member~~
20 ~~school districts pursuant to sections 77-3442 and 79-1073.01;~~

21 ~~(2)~~ (3) Levy for elementary learning center facility leases, for
22 remodeling of leased elementary learning center facilities, and for up to
23 fifty percent of the estimated cost for focus school or program capital
24 projects approved by the learning community coordinating council pursuant
25 to subdivision ~~(2)(f)~~ ~~(2)(h)~~ of section 77-3442 and section 79-2111;

26 ~~(3)~~ (4) Levy for early childhood education programs for children in
27 poverty, for elementary learning center employees, for contracts with
28 other entities or individuals who are not employees of the learning
29 community for elementary learning center programs and services, and for
30 pilot projects pursuant to subdivision ~~(2)(g)~~ ~~(2)(i)~~ of section 77-3442,
31 except that not more than ten percent of such levy may be used for

1 elementary learning center employees;

2 (4) Develop, submit, administer, and evaluate community achievement
3 plans in collaboration with the advisory committee, educational service
4 units serving member school districts, member school districts, and the
5 student achievement coordinator or other department staff designated by
6 the Commissioner of Education;

7 (5) Collect, analyze, and report data and information, including,
8 but not limited to, information provided by a school district pursuant to
9 subsection (5) of section 79-201;

10 (6) Approve focus schools and focus programs to be operated by
11 member school districts;

12 (7) Adopt, approve, and implement a diversity plan pursuant to
13 sections 79-2110 and 79-2118 which shall include open enrollment and may
14 include focus schools, focus programs, magnet schools, and pathways
15 pursuant to section 79-2110;

16 (8) Through school year 2016-17, administer Administer the open
17 enrollment provisions in section 79-2110 for the learning community as
18 part of a diversity plan developed by the council to provide educational
19 opportunities which will result in increased diversity in schools across
20 the learning community;

21 (9) Annually conduct school fairs to provide students and parents
22 the opportunity to explore the educational opportunities available at
23 each school in the learning community and develop other methods for
24 encouraging access to such information and promotional materials;

25 (10) Develop procedures for determining best practices for
26 addressing student achievement barriers and for disseminating such
27 practices within the learning community and to other school districts and
28 approve reorganization plans for submission pursuant to the Learning
29 Community Reorganization Act;

30 (11) Establish and administer elementary learning centers through
31 achievement subcouncils pursuant to sections 79-2112 to 79-2114;

1 (12) Administer the learning community funds distributed to the
2 learning community pursuant to section 79-2111;

3 (13) Approve or disapprove poverty plans and limited English
4 proficiency plans for member school districts through achievement
5 subcouncils established under section 79-2117;

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

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

13 (16) Establish and administer pilot projects related to enhancing
14 the academic achievement of elementary students, particularly students
15 who face challenges in the educational environment due to factors such as
16 poverty, limited English skills, and mobility;

17 (17) Provide funding to public or private entities engaged in the
18 juvenile justice system providing prefiling and diversion programming
19 designed to reduce excessive absenteeism and unnecessary involvement with
20 the juvenile justice system; and

21 (18) Hold public hearings at its discretion in response to issues
22 raised by residents regarding the learning community, a member school
23 district, and academic achievement.

24 Sec. 62. Section 79-2104.01, Reissue Revised Statutes of Nebraska,
25 is amended to read:

26 79-2104.01 Each learning community coordinating council shall have
27 an advisory committee composed of the superintendent from each member
28 school district or his or her representative. The advisory committee
29 shall:

30 (1) Collaborate with the learning community coordinating council on
31 the development, implementation, and evaluation of the community

1 ~~achievement plan~~ Review issues related to open enrollment;

2 (2) Review proposals for focus programs, focus schools, magnet
3 schools, and pathways;

4 ~~(3) Provide recommendations for improving academic achievement~~
5 ~~across the learning community;~~

6 (3 4) Provide recommendations for improving the learning community's
7 diversity plan;

8 (4 5) Review results and provide recommendations ~~Submit a plan to~~
9 the learning community coordinating council regarding ~~providing for~~ the
10 implementation and administration of early childhood education programs
11 for children in poverty; and

12 (5 6) Provide input to the learning community coordinating council
13 on other issues as requested.

14 Sec. 63. Each learning community coordinating council shall be
15 required to select at least two members to meet with the advisory
16 committee and learning community administrators at least twice annually
17 to discuss the community achievement plan, results of evaluations
18 conducted with learning community or school district funds, best
19 practices for improving achievement, particularly for students with
20 achievement obstacles, learning community programs, and other matters
21 related to improving education for students within the learning community
22 and throughout the state.

23 Sec. 64. Section 79-2104.02, Reissue Revised Statutes of Nebraska,
24 is amended to read:

25 79-2104.02 Each learning community coordinating council shall use
26 any funds received after ~~January 15, 2011,~~ pursuant to section 79-1241.03
27 for evaluation of programs related to the community achievement plan
28 developed with the assistance of the student achievement coordinator or
29 other department staff designated by the Commissioner of Education and
30 evaluation and research regarding the progress of the learning community
31 ~~and research~~ pursuant to plans developed by the learning community

1 coordinating council with assistance from the Educational Service Unit
2 Coordinating Council and adjusted on an ongoing basis. The evaluation of of
3 programs related to the community achievement plan shall be connected to
4 the evaluation components of the member district poverty and limited
5 English proficiency plans. The evaluation regarding the progress of the
6 learning community shall be conducted by one or more other entities or
7 individuals who are not employees of the learning community and shall
8 measure progress toward the goals and objectives of the learning
9 community, which goals and objectives shall include reduction of
10 excessive absenteeism of students in the member school districts of the
11 learning community and closing academic achievement gaps based on
12 socioeconomic status, and the effectiveness of the approaches used by the
13 learning community or pilot project to reach such goals and objectives.
14 Any research conducted pursuant to this section shall also be related to
15 such goals and objectives or programs related to the community
16 achievement plan. Each . ~~After the first full year of operation, each~~
17 learning community shall report evaluation and research results
18 electronically to the Education Committee of the Legislature on or before
19 January 1 of each year.

20 Sec. 65. Section 79-2104.03, Reissue Revised Statutes of Nebraska,
21 is amended to read:

22 79-2104.03 The advisory committee described in section 79-2104.01
23 shall submit a plan as provided in subdivision (4 5) of section
24 79-2104.01 to the learning community coordinating council for any early
25 childhood education programs for children in poverty and the services to
26 be provided by such programs. In developing the plan, the advisory
27 committee shall seek input from member school districts and community
28 resources and collaborate with such resources in order to maximize the
29 available opportunities and resources for such programs. The advisory
30 committee may, as part of such plan, recommend services to be provided
31 through contract with, or grants to, school districts to provide or

1 contract for some or all of the services. The advisory committee shall
2 take special efforts to establish early childhood education programs for
3 children in poverty so that such programs are readily available and
4 accessible to children and families located in areas with a high
5 concentration of poverty.

6 Sec. 66. Section 79-2110, Revised Statutes Supplement, 2015, is
7 amended to read:

8 79-2110 (1)(a) Each diversity plan shall provide for open enrollment
9 in all school buildings in the learning community for school years prior
10 to school year 2017-18, subject to specific limitations necessary to
11 bring about diverse enrollments in each school building in the learning
12 community. Such limitations, for school buildings other than focus
13 schools and programs other than focus programs, shall include giving
14 preference at each school building first to siblings of students who will
15 be enrolled as continuing students in such school building or program for
16 the first school year for which enrollment is sought in such school
17 building and then to students that contribute to the socioeconomic
18 diversity of enrollment at each building and may include establishing
19 zone limitations in which students may access several schools other than
20 their home attendance area school. Notwithstanding the limitations
21 necessary to bring about diversity, open enrollment shall include
22 providing access to students who do not contribute to the socioeconomic
23 diversity of a school building, if, subsequent to the open enrollment
24 selection process that is subject to limitations necessary to bring about
25 diverse enrollments, capacity remains in a school building. In such a
26 case, students who have applied to attend such school building shall be
27 selected to attend such school building on a random basis up to the
28 remaining capacity of such building. A student who has otherwise been
29 disqualified from the school building pursuant to the school district's
30 code of conduct or related school discipline rules shall not be eligible
31 for open enrollment pursuant to this section. Any student who attended a

1 particular school building in the prior school year and who is seeking
2 education in the grades offered in such school building shall be allowed
3 to continue attending such school building as a continuing open
4 enrollment student through school year 2016-17.

5 (b) To facilitate the open enrollment provisions of this subsection,
6 each school year each member school district in a learning community
7 shall establish a maximum capacity for each school building under such
8 district's control pursuant to procedures and criteria established by the
9 learning community coordinating council. Each member school district
10 shall also establish attendance areas for each school building under the
11 district's control, except that the school board shall not establish
12 attendance areas for focus schools or focus programs. The attendance
13 areas shall be established such that all of the territory of the school
14 district is within an attendance area for each grade. Students residing
15 in a school district shall be allowed to attend a school building in such
16 school district.

17 (c) For purposes of this section and sections 79-238 and 79-611,
18 student who contributes to the socioeconomic diversity of enrollment
19 means (i) a student who does not qualify for free or reduced-price
20 lunches when, based upon the certification pursuant to section 79-2120,
21 the school building the student will attend either has more students
22 qualifying for free or reduced-price lunches than the average percentage
23 of such students in all school buildings in the learning community or
24 provides free meals to all students pursuant to the community eligibility
25 provision or (ii) a student who qualifies for free or reduced-price
26 lunches based on information collected from parents and guardians when,
27 based upon the certification pursuant to section 79-2120, the school
28 building the student will attend has fewer students qualifying for free
29 or reduced-price lunches than the average percentage of such students in
30 all school buildings in the learning community and does not provide free
31 meals to all students pursuant to the community eligibility provision.

1 (2)(a) On or before March 15 of each year prior to 2017 ~~beginning~~
2 ~~with the year immediately following the year in which the initial~~
3 ~~coordinating council for the learning community takes office~~, a parent or
4 guardian of a student residing in a member school district in a learning
5 community may submit an application to any school district in the
6 learning community on behalf of a student who is applying to attend a
7 school building for the following school year that is not in an
8 attendance area where the applicant resides or a focus school, focus
9 program, or magnet school as such terms are defined in section 79-769. On
10 or before April 1 of each year beginning with the year immediately
11 following the year in which the initial coordinating council for the
12 learning community takes office, the school district shall accept or
13 reject such applications based on the capacity of the school building,
14 the eligibility of the applicant for the school building or program, the
15 number of such applicants that will be accepted for a given school
16 building, and whether or not the applicant contributes to the
17 socioeconomic diversity of the school or program to which he or she has
18 applied and for which he or she is eligible. The school district shall
19 notify such parent or guardian in writing of the acceptance or rejection.

20 (b) A parent or guardian may provide information on the application
21 regarding the applicant's potential qualification for free or reduced-
22 price lunches. Any such information provided shall be subject to
23 verification and shall only be used for the purposes of this section.
24 Nothing in this section requires a parent or guardian to provide such
25 information. Determinations about an applicant's qualification for free
26 or reduced-price lunches for purposes of this section shall be based on
27 any verified information provided on the application. If no such
28 information is provided the student shall be presumed not to qualify for
29 free or reduced-price lunches for the purposes of this section.

30 (c) A student may not apply to attend a school building in the
31 learning community for any grades that are offered by another school

1 building for which the student had previously applied and been accepted
2 pursuant to this section, absent a hardship exception as established by
3 the individual school district. On or before September 1 of each year
4 ~~prior to 2017 beginning with the year immediately following the year in~~
5 ~~which the initial coordinating council for the learning community takes~~
6 ~~office~~, each school district shall provide to the learning community
7 coordinating council a complete and accurate report of all applications
8 received, including the number of students who applied at each grade
9 level at each building, the number of students accepted at each grade
10 level at each building, the number of such students that contributed to
11 the socioeconomic diversity that applied and were accepted, the number of
12 applicants denied and the rationales for denial, and other such
13 information as requested by the learning community coordinating council.

14 (3) Each diversity plan may ~~also~~ include establishment of one or
15 more focus schools or focus programs and the involvement of every member
16 school district in one or more pathways across member school districts.
17 Enrollment in each focus school or focus program shall be designed to
18 reflect the socioeconomic diversity of the learning community as a whole.
19 School district selection of students for focus schools or focus programs
20 shall be on a random basis from two pools of applicants, those who
21 qualify for free and reduced-price lunches and those who do not qualify
22 for free and reduced-price lunches. The percentage of students selected
23 for focus schools from the pool of applicants who qualify for free and
24 reduced-price lunches shall be as nearly equal as possible to the
25 percentage of the student body of the learning community who qualify for
26 free and reduced-price lunches. The percentage of students selected for
27 focus schools from the pool of applicants who do not qualify for free and
28 reduced-price lunches shall be as nearly equal as possible to the
29 percentage of the student body of the learning community who do not
30 qualify for free and reduced-price lunches. If more capacity exists in a
31 focus school or program than the number of applicants for such focus

1 school or program that contribute to the socioeconomic diversity of the
2 focus school or program, the school district shall randomly select
3 applicants up to the number of applicants that will be accepted for such
4 building. A student who will complete the grades offered at a focus
5 program, focus school, or magnet school that is part of a pathway shall
6 be allowed to attend the focus program, focus school, or magnet school
7 offering the next grade level as part of the pathway as a continuing
8 student. A student who completes the grades offered at a focus program,
9 focus school, or magnet school shall be allowed to attend a school
10 offering the next grade level in the school district responsible for the
11 focus program, focus school, or magnet school as a continuing student. A
12 student who attended a program or school in the school year immediately
13 preceding the first school year for which the program or school will
14 operate as a focus program or focus school approved by the learning
15 community and meeting the requirements of section 79-769 and who has not
16 completed the grades offered at the focus program or focus school shall
17 be a continuing student in the program or school. For school year
18 2016-17, students attending a focus program or focus school outside of
19 the school district shall be considered open enrollment students and, for
20 school year 2017-18 and each school year thereafter, students attending a
21 focus program or focus school shall be considered option enrollment
22 students.

23 (4) On or before February 15 of each year ~~beginning with the year~~
24 ~~immediately following the year in which the initial coordinating council~~
25 ~~for the learning community takes office,~~ a parent or guardian of a
26 student who is currently attending a school building or program, except a
27 magnet school, focus school, or focus program, outside of the school
28 district attendance area where the student resides and who will complete
29 the grades offered at such school building prior to the following school
30 year shall provide notice, on a form provided by the school district, to
31 the school board of the school district containing such school building

1 (a) for years prior to 2017, if such student will attend another school
2 building within such district as a continuing student and which school
3 building such student would prefer to attend or (b) for 2017 and each
4 year thereafter, if such student will apply to enroll as an option
5 student in another school building within such district and which school
6 building such student would prefer to attend. On or before March 1, such
7 school board shall provide a notice to such parent or guardian stating
8 which school building or buildings the student shall be allowed to attend
9 in such school district as a continuing student or an option student for
10 the following school year. If the student resides within the school
11 district, the notice shall include the school building offering the grade
12 the student will be entering for the following school year in the
13 attendance area where the student resides. This subsection shall not
14 apply to focus schools or programs.

15 (5) Prior to the beginning of school year 2017-18, a A parent or
16 guardian of a student who moves to a new residence in the learning
17 community after April 1 may apply directly to a school board within the
18 learning community within ninety days after moving for the student to
19 attend a school building outside of the attendance area where the student
20 resides. Such school board shall accept or reject such application within
21 fifteen days after receiving the application, based on the number of
22 applications and qualifications pursuant to subsection (2) or (3) of this
23 section for all other students.

24 (6) A parent or guardian of a student who wishes to change school
25 buildings for emergency or hardship reasons may apply directly to a
26 school board within the learning community at any time for the student to
27 attend a school building outside of the attendance area where the student
28 resides. Such application shall state the emergency or hardship and shall
29 be kept confidential by the school board. Such school board shall accept
30 or reject such application within fifteen days after receiving the
31 application. Applications shall only be accepted if an emergency or

1 hardship was presented which justifies an exemption from the procedures
2 in subsection (4) of this section based on the judgment of such school
3 board, and such acceptance shall not exceed the number of applications
4 that will be accepted for the school year pursuant to subsection (2) or
5 (3) of this section for such building.

6 (7) Each student attending a school building in the resident school
7 district as an open enrollment student for any part of school year
8 2016-17 shall be allowed to continue attending such school building
9 without submitting an additional application unless the student has
10 completed the grades offered in such school building or has been expelled
11 and is disqualified pursuant to section 79-266.01.

12 Sec. 67. Section 79-2111, Reissue Revised Statutes of Nebraska, is
13 amended to read:

14 79-2111 (1) A learning community may levy a maximum levy pursuant to
15 subdivision ~~(2)(f)~~ ~~(2)(h)~~ of section 77-3442 for elementary learning
16 center facility leases, for remodeling of leased elementary learning
17 center facilities, and for up to fifty percent of the estimated costs for
18 focus school or program capital projects approved pursuant to this
19 section. The proceeds from such levy shall be used for elementary
20 learning center facility leases, for remodeling of leased elementary
21 learning center facilities, and to reduce the bonded indebtedness
22 required for approved projects by up to fifty percent of the estimated
23 cost of the approved project. The funds used for reductions of bonded
24 indebtedness shall be transferred to the school district for which the
25 project was approved and shall be deposited in such school district's
26 special building fund for use on such project.

27 (2) The learning community may approve pursuant to this section
28 funding for capital projects which will include the purchase,
29 construction, or remodeling of facilities for a focus school or program
30 designed to meet the requirements of section 79-769. Such approval shall
31 include an estimated cost for the project and shall state the amount that

1 will be provided by the learning community for such project.

2 (3) If, within the ten years following receipt of the funding for a
3 capital project pursuant to this section, a school district receiving
4 such funding uses the facility purchased, constructed, or remodeled with
5 such funding for purposes other than those stated to qualify for the
6 funds, the school district shall repay such funds to the learning
7 community with interest at the rate prescribed in section 45-104.02
8 accruing from the date the funds were transferred to the school
9 district's building fund as of the last date the facility was used for
10 such purpose as determined by the learning community coordinating council
11 or the date that the learning community coordinating council determines
12 that the facility will not be used for such purpose or that such facility
13 will not be purchased, constructed, or remodeled for such purpose.
14 Interest shall continue to accrue on outstanding balances until the
15 repayment has been completed. The remaining terms of repayment shall be
16 determined by the learning community coordinating council. The learning
17 community coordinating council may waive such repayment if the facility
18 is used for a different focus school or program for a period of time that
19 will result in the use of the facility for qualifying purposes for a
20 total of at least ten years.

21 Sec. 68. Section 79-2117, Reissue Revised Statutes of Nebraska, is
22 amended to read:

23 79-2117 Each learning community coordinating council shall have an
24 achievement subcouncil for each subcouncil district. Through January 4,
25 2017, each ~~Each~~ achievement subcouncil shall consist of the three voting
26 coordinating council members representing the subcouncil district plus
27 any nonvoting coordinating council members choosing to participate who
28 represent a school district that has territory within the subcouncil
29 district. The voting coordinating council members shall also be the
30 voting members on the achievement subcouncil. On and after January 5,
31 2017, each achievement subcouncil shall consist of the two learning

1 community coordinating council members representing the subcouncil
2 district. Each achievement subcouncil shall meet as necessary but shall
3 meet and conduct a public hearing within its subcouncil district at least
4 once each school year. Each achievement subcouncil shall:

5 (1) Develop a diversity plan recommendation for the territory in its
6 subcouncil district that will provide educational opportunities which
7 will result in increased diversity in schools in the subcouncil district;

8 (2) Administer elementary learning centers in cooperation with the
9 elementary learning center executive director;

10 (3) ~~Review and approve or disapprove of~~ the poverty plans and
11 limited English proficiency plans for the schools located in its
12 subcouncil district and offer suggestions to improve the plans and the
13 coordination between such plans and the community achievement plan;

14 (4) Receive community input and complaints regarding the learning
15 community and academic achievement in the subcouncil district; and

16 (5) Hold public hearings at its discretion in its subcouncil
17 district in response to issues raised by residents of the subcouncil
18 district regarding the learning community, a member school district, and
19 academic achievement in the subcouncil district.

20 Sec. 69. Original sections 79-233, 79-234, 79-235, 79-237, 79-238,
21 79-241, 79-245, 79-4,119, 79-4,121, 79-4,122, 79-4,123, 79-4,124,
22 79-4,125, 79-4,126, 79-4,128, 79-528, 79-611, 79-703, 79-1005.01,
23 79-1007.13, 79-1007.18, 79-1008.02, 79-1009, 79-1022, 79-1024, 79-1033,
24 79-1036, 79-1041, 79-1073, 79-1075, 79-1083, 79-1084, 79-1086, 79-10,120,
25 79-10,126, 79-10,126.01, 79-1140, 79-11,155, 79-1241.03, 79-1245,
26 79-2104, 79-2104.01, 79-2104.02, 79-2104.03, 79-2111, and 79-2117,
27 Reissue Revised Statutes of Nebraska, sections 13-508, 32-546.01, 32-604,
28 43-2515, 70-651.04, 77-1704.01, and 77-1736.06, Revised Statutes
29 Cumulative Supplement, 2014, and sections 9-812, 13-511, 77-3442, 79-215,
30 79-1001, 79-1003, 79-1007.11, 79-1017.01, 79-1018.01, and 79-2110,
31 Revised Statutes Supplement, 2015, are repealed.

1 Sec. 70. The following sections are outright repealed: Sections
2 79-1007.22, 79-1073.01, and 79-2107, Reissue Revised Statutes of
3 Nebraska.