

AMENDMENTS TO LB492

(Amendments to Standing Committee amendments, AM628)

Introduced by La Grone, 49.

1 1. Insert the following new sections:

2 Sec. 26. (1) On July 1, 2020, any learning community as defined in
3 section 79-2101 shall be dissolved.

4 (2) Each learning community coordinating council shall prepare for
5 such dissolution by transferring all assets to member school districts
6 and performing such other tasks as may be necessary for an orderly
7 dissolution. Any remaining records, books, papers, and personal property
8 belonging to such learning community after such dissolution shall be
9 delivered to the State Board of Education to be distributed, as
10 determined by the state board, to the school districts that were members
11 of such learning community immediately prior to its dissolution. Any
12 liabilities of a learning community remaining after dissolution shall be
13 divided proportionately between former member school districts based on
14 the taxable valuation of such school districts.

15 Sec. 27. Section 9-812, Revised Statutes Cumulative Supplement,
16 2018, is amended to read:

17 9-812 (1) All money received from the operation of lottery games
18 conducted pursuant to the State Lottery Act in Nebraska shall be credited
19 to the State Lottery Operation Trust Fund, which fund is hereby created.
20 All payments of the costs of establishing and maintaining the lottery
21 games shall be made from the State Lottery Operation Cash Fund. In
22 accordance with legislative appropriations, money for payments for
23 expenses of the division shall be transferred from the State Lottery
24 Operation Trust Fund to the State Lottery Operation Cash Fund, which fund
25 is hereby created. All money necessary for the payment of lottery prizes
26 shall be transferred from the State Lottery Operation Trust Fund to the

1 State Lottery Prize Trust Fund, which fund is hereby created. The amount
2 used for the payment of lottery prizes shall not be less than forty
3 percent of the dollar amount of the lottery tickets which have been sold.

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

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

22 (a) The first five hundred thousand dollars shall be transferred to
23 the Compulsive Gamblers Assistance Fund to be used as provided in section
24 9-1006;

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

29 (c) Forty-four and one-half percent of the money remaining after the
30 payment of prizes and operating expenses and the initial transfer to the
31 Compulsive Gamblers Assistance Fund shall be transferred to the Nebraska

1 Environmental Trust Fund to be used as provided in the Nebraska
2 Environmental Trust Act;

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

15 (e) One percent of the money remaining after the payment of prizes
16 and operating expenses and the initial transfer to the Compulsive
17 Gamblers Assistance Fund shall be transferred to the Compulsive Gamblers
18 Assistance Fund to be used as provided in section 9-1006.

19 (4) The Nebraska Education Improvement Fund is created. The fund
20 shall consist of money transferred pursuant to subsection (3) of this
21 section, money transferred pursuant to section 85-1920, and any other
22 funds appropriated by the Legislature. The fund shall be allocated, after
23 actual and necessary administrative expenses, as provided in this section
24 for fiscal years 2016-17 through 2020-21. A portion of each allocation
25 may be retained by the agency to which the allocation is made or the
26 agency administering the fund to which the allocation is made for actual
27 and necessary expenses incurred by such agency for administration,
28 evaluation, and technical assistance related to the purposes of the
29 allocation, except that no amount of the allocation to the Nebraska
30 Opportunity Grant Fund may be used for such purposes. On or before
31 December 31, 2019, the Education Committee of the Legislature shall

1 electronically submit recommendations to the Clerk of the Legislature
2 regarding how the fund should be allocated to best advance the
3 educational priorities of the state for the five-year period beginning
4 with fiscal year 2021-22. For fiscal year 2016-17, an amount equal to ten
5 percent of the revenue allocated to the Education Innovation Fund and to
6 the Nebraska Opportunity Grant Fund for fiscal year 2015-16 shall be
7 retained in the Nebraska Education Improvement Fund. For fiscal years
8 2017-18 through 2020-21, an amount equal to ten percent of the revenue
9 received by the Nebraska Education Improvement Fund in the prior fiscal
10 year shall be retained in the fund. For fiscal years 2016-17 through
11 2020-21, the remainder of the fund, ~~after payment of any learning~~
12 ~~community transition aid pursuant to section 79-10,145,~~ shall be
13 allocated as follows:

14 (a) One percent of the allocated funds to the Expanded Learning
15 Opportunity Grant Fund to carry out the Expanded Learning Opportunity
16 Grant Program Act;

17 (b) Seventeen percent of the allocated funds to the Department of
18 Education Innovative Grant Fund to be used (i) for competitive innovation
19 grants pursuant to section 79-1054 and (ii) to carry out the purposes of
20 section 79-759;

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

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

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

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

31 (5) Any money in the State Lottery Operation Trust Fund, the State

1 Lottery Operation Cash Fund, the State Lottery Prize Trust Fund, the
2 Nebraska Education Improvement Fund, or the Education Innovation Fund
3 available for investment shall be invested by the state investment
4 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska
5 State Funds Investment Act.

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

11 Sec. 28. Section 11-119, Reissue Revised Statutes of Nebraska, is
12 amended to read:

13 11-119 The following named officers shall execute a bond with
14 penalties of the following amounts:

15 (1) The Governor, one hundred thousand dollars;

16 (2) The Lieutenant Governor, one hundred thousand dollars;

17 (3) The Auditor of Public Accounts, one hundred thousand dollars;

18 (4) The Secretary of State, one hundred thousand dollars;

19 (5) The Attorney General, one hundred thousand dollars;

20 (6) The State Treasurer, not less than one million dollars and not
21 more than double the amount of money that may come into his or her hands,
22 to be fixed by the Governor;

23 (7) Each county attorney, a sum not less than one thousand dollars
24 to be fixed by the county board;

25 (8) Each clerk of the district court, not less than five thousand
26 dollars or more than one hundred thousand dollars to be determined by the
27 county board;

28 (9) Each county clerk, not less than one thousand dollars or more
29 than one hundred thousand dollars to be determined by the county board,
30 except that when a county clerk also has the duties of other county
31 offices the minimum bond shall be two thousand dollars;

1 (10) Each county treasurer, not less than ten thousand dollars and
2 not more than the amount of money that may come into his or her hands, to
3 be determined by the county board;

4 (11) Each sheriff, in counties of not more than twenty thousand
5 inhabitants, five thousand dollars, and in counties over twenty thousand
6 inhabitants, ten thousand dollars;

7 (12) Each district superintendent of public instruction, one
8 thousand dollars;

9 (13) Each county surveyor, five hundred dollars;

10 (14) Each county commissioner or supervisor, in counties of not more
11 than twenty thousand inhabitants, one thousand dollars, in counties over
12 twenty thousand and not more than thirty thousand inhabitants, two
13 thousand dollars, in counties over thirty thousand and not more than
14 fifty thousand inhabitants, three thousand dollars, and in counties over
15 fifty thousand inhabitants, five thousand dollars;

16 (15) Each register of deeds in counties having a population of more
17 than sixteen thousand five hundred inhabitants, not less than two
18 thousand dollars or more than one hundred thousand dollars to be
19 determined by the county board;

20 (16) Each township clerk, two hundred fifty dollars;

21 (17) Each township treasurer, two thousand dollars;

22 (18) Each county assessor, not more than five thousand dollars and
23 not less than two thousand dollars;

24 (19) Each school district treasurer, not less than five hundred
25 dollars or more than double the amount of money that may come into his or
26 her hands, the amount to be fixed by the president and secretary of the
27 district;

28 (20) Each road overseer, two hundred fifty dollars;

29 (21) Each member of a county weed district board and the manager
30 thereof, such amount as may be determined by the county board of
31 commissioners or supervisors of each county with the same amount to apply

1 to each member of any particular board; and

2 (22) In any county, in lieu of the individual bonds required to be
3 furnished by county officers, a schedule, position, or blanket bond or
4 undertaking may be given by county officers, or a single corporate surety
5 fidelity, schedule, position, or blanket bond or undertaking covering all
6 the officers, including officers required by law to furnish an individual
7 bond or undertaking, may be furnished. The county may pay the premium for
8 the bond. The bond shall be, at a minimum, an aggregate of the amounts
9 fixed by law or by the person or board authorized by law to fix the
10 amounts, and with such terms and conditions as may be required by
11 sections 11-101 to 11-130. ~~;~~ ~~and~~

12 ~~(23) Each learning community coordinating council treasurer, not~~
13 ~~less than five hundred dollars or more than double the amount of money~~
14 ~~that may come into his or her hands, the amount to be fixed by the~~
15 ~~learning community coordinating council.~~

16 All other state officers, department heads, and employees shall be
17 bonded or insured as required by section 11-201.

18 Sec. 30. Section 13-508, Revised Statutes Cumulative Supplement,
19 2018, is amended to read:

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

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

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

21 Sec. 31. Section 13-511, Revised Statutes Cumulative Supplement,
22 2018, is amended to read:

23 13-511 (1) Unless otherwise provided by law, whenever during the
24 current fiscal year or biennial period it becomes apparent to a governing
25 body that (a) there are circumstances which could not reasonably have
26 been anticipated at the time the budget for the current year or biennial
27 period was adopted, (b) the budget adopted violated sections 13-518 to
28 13-522, such that the revenue of the current fiscal year or biennial
29 period for any fund thereof will be insufficient, additional expenses
30 will be necessarily incurred, or there is a need to reduce the budget
31 requirements to comply with sections 13-518 to 13-522, or (c) the

1 governing body has been notified by the auditor of a mathematical or
2 accounting error or noncompliance with the Nebraska Budget Act, such
3 governing body may propose to revise the previously adopted budget
4 statement and shall conduct a public hearing on such proposal. The public
5 hearing requirement shall not apply to emergency expenditures pursuant to
6 section 81-829.51.

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

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

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

1 payment for expenditures authorized by the adopted revised budget. Such
2 warrants shall be referred to as registered warrants and shall be repaid
3 during the next fiscal year or biennial period from funds derived from
4 taxes levied therefor.

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

16 Sec. 33. Section 13-903, Reissue Revised Statutes of Nebraska, is
17 amended to read:

18 13-903 For purposes of the Political Subdivisions Tort Claims Act
19 and sections 16-727, 16-728, 23-175, 39-809, and 79-610, unless the
20 context otherwise requires:

21 (1) Political subdivision shall include villages, cities of all
22 classes, counties, school districts, ~~learning communities~~, public power
23 districts, and all other units of local government, including entities
24 created pursuant to the Interlocal Cooperation Act or Joint Public Agency
25 Act. Political subdivision shall not be construed to include any
26 contractor with a political subdivision;

27 (2) Governing body shall mean the village board of a village, the
28 city council of a city, the board of commissioners or board of
29 supervisors of a county, the board of directors of a public power
30 district, the governing board or other governing body of an entity
31 created pursuant to the Interlocal Cooperation Act or Joint Public Agency

1 Act, and any duly elected or appointed body holding the power and
2 authority to determine the appropriations and expenditures of any other
3 unit of local government;

4 (3) Employee of a political subdivision shall mean any one or more
5 officers or employees of the political subdivision or any agency of the
6 subdivision and shall include members of the governing body, duly
7 appointed members of boards or commissions when they are acting in their
8 official capacity, volunteer firefighters, and volunteer rescue squad
9 personnel. Employee shall not be construed to include any contractor with
10 a political subdivision; and

11 (4) Tort claim shall mean any claim against a political subdivision
12 for money only on account of damage to or loss of property or on account
13 of personal injury or death, caused by the negligent or wrongful act or
14 omission of any employee of the political subdivision, while acting
15 within the scope of his or her office or employment, under circumstances
16 in which the political subdivision, if a private person, would be liable
17 to the claimant for such damage, loss, injury, or death but shall not
18 include any claim accruing before January 1, 1970.

19 Sec. 43. Section 32-546.01, Reissue Revised Statutes of Nebraska, is
20 amended to read:

21 32-546.01 (1) Each learning community shall be governed by a
22 learning community coordinating council. Through June 30, 2020 ~~January 4,~~
23 ~~2017,~~ ~~each council shall consist of eighteen voting members, with twelve~~
24 ~~members elected on a nonpartisan ballot from six numbered subcouncil~~
25 ~~districts created pursuant to section 32-555.01 and with six members~~
26 ~~appointed from such subcouncil districts pursuant to this section.~~
27 ~~Beginning January 5, 2017,~~ each learning community coordinating council
28 shall consist of twelve members elected prior to the operative date of
29 this section on a nonpartisan ballot from six numbered subcouncil
30 ~~districts created pursuant to section 32-555.01. Members elected at the~~
31 ~~general election in 2014 shall continue to serve until the terms for~~

1 ~~which they were elected expire, and such members may run for reelection.~~
2 ~~Each voter shall be allowed to cast votes for one candidate at both the~~
3 ~~primary and general elections to represent the subcouncil district in~~
4 ~~which the voter resides. The four candidates receiving the most votes at~~
5 ~~the primary election shall advance to the general election. The two~~
6 ~~candidates receiving the most votes at the general election shall be~~
7 ~~elected. A candidate shall reside in the subcouncil district for which he~~
8 ~~or she is a candidate. Coordinating council members shall be elected on~~
9 ~~the nonpartisan ballot.~~

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

17 ~~(2) (3) Vacancies in office for elected members shall occur as set~~
18 ~~forth in section 32-560. Whenever any such vacancy occurs, the remaining~~
19 ~~elected members of such council shall appoint an individual residing~~
20 ~~within the geographical boundaries of the subcouncil district for the~~
21 ~~balance of the unexpired term.~~

22 ~~(3) Except as provided in subsection (2) of this section for~~
23 ~~vacancies in office, members in office on the operative date of this~~
24 ~~section shall remain in office through June 30, 2020, at which time the~~
25 ~~term of office for all such members shall expire.~~

26 ~~(4) Members elected to represent odd-numbered districts in the first~~
27 ~~election for the learning community coordinating council shall be elected~~
28 ~~for two-year terms. Members elected to represent even-numbered districts~~
29 ~~in the first election for the learning community coordinating council~~
30 ~~shall be elected for four-year terms. Members elected in subsequent~~
31 ~~elections shall be elected for four-year terms and until their successors~~

1 are elected and qualified.

2 ~~(5) The appointed members shall be appointed in November of each~~
3 ~~even-numbered year through 2014 after the general election. Appointed~~
4 ~~members shall be school board members of school districts in the learning~~
5 ~~community either elected to take office the following January or~~
6 ~~continuing their current term of office for the following two years. For~~
7 ~~learning communities to be established prior to July 21, 2016, pursuant~~
8 ~~to orders issued pursuant to section 79-2102, the Secretary of State~~
9 ~~shall hold a meeting of the school board members of the school districts~~
10 ~~in such learning community to appoint one member from such school boards~~
11 ~~to represent each of the subcouncil districts on the coordinating council~~
12 ~~of such learning community. For subsequent appointments, the current~~
13 ~~appointed members of the coordinating council shall hold a meeting of the~~
14 ~~school board members of such school districts to appoint one member from~~
15 ~~such school boards to represent each of the subcouncil districts on the~~
16 ~~coordinating council of the learning community. The appointed members~~
17 ~~shall be selected by the school board members of the school districts in~~
18 ~~the learning community who reside in the subcouncil district to be~~
19 ~~represented pursuant to a secret ballot, shall reside in the subcouncil~~
20 ~~district to be represented, and shall be appointed for two-year terms and~~
21 ~~until their successors are appointed and qualified.~~

22 ~~(6) Vacancies in office for appointed members shall occur upon the~~
23 ~~resignation, death, or disqualification from office of an appointed~~
24 ~~member. Disqualification from office shall include ceasing membership on~~
25 ~~the school board for which membership qualified the member for the~~
26 ~~appointment to the learning community coordinating council or ceasing to~~
27 ~~reside in the subcouncil district represented by such member of the~~
28 ~~learning community coordinating council. Whenever such vacancy occurs,~~
29 ~~the remaining appointed members shall hold a meeting of the school board~~
30 ~~members of the school districts in such learning community to appoint a~~
31 ~~member from such school boards who lives in the subcouncil district to be~~

1 ~~represented to serve for the balance of the unexpired term.~~

2 ~~(7) Through January 4, 2017, each learning community coordinating~~
3 ~~council shall also have a nonvoting member from each member school~~
4 ~~district which does not have either an elected or an appointed member who~~
5 ~~resides in the school district on the council. Such nonvoting members~~
6 ~~shall be appointed by the school board of the school district to be~~
7 ~~represented to serve for two-year terms, and notice of the nonvoting~~
8 ~~member selected shall be submitted to the Secretary of State by such~~
9 ~~board prior to December 31 of each even-numbered year through 2014. Each~~
10 ~~such nonvoting member shall be a resident of the appointing school~~
11 ~~district and shall not be a school administrator employed by such school~~
12 ~~district. Whenever a vacancy occurs, the school board of such school~~
13 ~~district shall appoint a new nonvoting member and submit notice to the~~
14 ~~Secretary of State and to the learning community coordinating council.~~

15 ~~(4) (8) Members of a learning community coordinating council shall~~
16 ~~take office on the first Thursday after the first Tuesday in January~~
17 ~~following their election, except that members appointed to fill vacancies~~
18 ~~shall take office immediately following administration of the oath of~~
19 ~~office. Each voting member shall be eligible for reimbursement of~~
20 ~~reasonable expenses related to service on the learning community~~
21 ~~coordinating council. Each nonvoting member shall be eligible for~~
22 ~~reimbursement of reasonable expenses related to service on the learning~~
23 ~~community coordinating council.~~

24 ~~(5) This section terminates on July 1, 2020.~~

25 Sec. 47. Section 68-907, Reissue Revised Statutes of Nebraska, is
26 amended to read:

27 68-907 For purposes of the Medical Assistance Act:

28 (1) Committee means the Health and Human Services Committee of the
29 Legislature;

30 (2) Department means the Department of Health and Human Services;

31 (3) Medicaid Reform Plan means the Medicaid Reform Plan submitted on

1 December 1, 2005, pursuant to the Medicaid Reform Act enacted pursuant to
2 Laws 2005, LB 709;

3 (4) Medicaid state plan means the comprehensive written document,
4 developed and amended by the department and approved by the federal
5 Centers for Medicare and Medicaid Services, which describes the nature
6 and scope of the medical assistance program and provides assurances that
7 the department will administer the program in compliance with federal
8 requirements;

9 (5) Provider means a person providing health care or related
10 services under the medical assistance program;

11 (6) School-based health center means a health center that:

12 (a) Is located in or is adjacent to a school facility;

13 (b) Is organized through school, school district, ~~learning~~
14 ~~community,~~ community, and provider relationships;

15 (c) Is administered by a sponsoring facility;

16 (d) Provides school-based health services onsite during school hours
17 to children and adolescents by health care professionals in accordance
18 with state and local laws, rules, and regulations, established standards,
19 and community practice;

20 (e) Does not perform abortion services or refer or counsel for
21 abortion services and does not dispense, prescribe, or counsel for
22 contraceptive drugs or devices; and

23 (f) Does not serve as a child's or an adolescent's medical or dental
24 home but augments and supports services provided by the medical or dental
25 home;

26 (7) School-based health services may include any combination of the
27 following as determined in partnership with a sponsoring facility, the
28 school district, and the community:

29 (a) Medical health;

30 (b) Behavioral and mental health;

31 (c) Preventive health; and

1 (d) Oral health;

2 (8) Sponsoring facility means:

3 (a) A hospital;

4 (b) A public health department as defined in section 71-1626;

5 (c) A federally qualified health center as defined in section
6 1905(1)(2)(B) of the federal Social Security Act, 42 U.S.C. 1396d(1)(2)
7 (B), as such act and section existed on January 1, 2010;

8 (d) A nonprofit health care entity whose mission is to provide
9 access to comprehensive primary health care services;

10 (e) A school or school district; or

11 (f) A program administered by the Indian Health Service or the
12 federal Bureau of Indian Affairs or operated by an Indian tribe or tribal
13 organization under the federal Indian Self-Determination and Education
14 Assistance Act, or an urban Indian program under Title V of the federal
15 Indian Health Care Improvement Act, as such acts existed on January 1,
16 2010; and

17 (9) Waiver means the waiver of applicability to the state of one or
18 more provisions of federal law relating to the medical assistance program
19 based on an application by the department and approval of such
20 application by the federal Centers for Medicare and Medicaid Services.

21 Sec. 48. Section 70-651.04, Reissue Revised Statutes of Nebraska, is
22 amended to read:

23 70-651.04 All payments which are based on retail revenue from each
24 incorporated city or village shall be divided and distributed by the
25 county treasurer to that city or village, to the school districts located
26 in that city or village, ~~to any learning community located in that city~~
27 ~~or village for payments distributed prior to September 1, 2017,~~ and to
28 the county in which may be located any such incorporated city or village
29 in the proportion that their respective property tax levies in the
30 preceding year bore to the total of such levies, ~~except that the only~~
31 ~~learning community levies to be included are the common levies for which~~

1 ~~the proceeds are distributed to member school districts pursuant to~~
2 ~~section 79-1073.~~

3 Sec. 50. Section 77-1601.02, Reissue Revised Statutes of Nebraska,
4 is amended to read:

5 77-1601.02 (1) The property tax request for the prior year shall be
6 the property tax request for the current year for purposes of the levy
7 set by the county board of equalization in section 77-1601 unless the
8 governing body of the county, municipality, school district, ~~learning~~
9 ~~community~~, sanitary and improvement district, natural resources district,
10 educational service unit, or community college passes by a majority vote
11 a resolution or ordinance setting the tax request at a different amount.
12 Such resolution or ordinance shall only be passed after a special public
13 hearing called for such purpose is held and after notice is published in
14 a newspaper of general circulation in the area of the political
15 subdivision at least five days prior to the hearing. The hearing notice
16 shall contain the following information: The dollar amount of the prior
17 year's tax request and the property tax rate that was necessary to fund
18 that tax request; the property tax rate that would be necessary to fund
19 last year's tax request if applied to the current year's valuation; and
20 the proposed dollar amount of the tax request for the current year and
21 the property tax rate that will be necessary to fund that tax request.
22 Any resolution setting a tax request under this section shall be
23 certified and forwarded to the county clerk on or before October 13 of
24 the year for which the tax request is to apply.

25 (2) Any levy which is not in compliance with this section and
26 section 77-1601 shall be construed as an unauthorized levy under section
27 77-1606.

28 Sec. 51. Section 77-1614, Reissue Revised Statutes of Nebraska, is
29 amended to read:

30 77-1614 All taxes which are uniform, throughout any precinct,
31 township, school district, ~~learning community~~, village, city, county, or

1 other taxing subdivision of a county, shall be formed into a single tax,
2 be entered upon the tax list in a double column, and be denominated a
3 consolidated tax.

4 Sec. 52. Section 77-1624, Reissue Revised Statutes of Nebraska, is
5 amended to read:

6 77-1624 It shall be the duty of the county treasurer for each and
7 every county, when collecting personal and real estate taxes being
8 delinquent five years or more, to receipt for such taxes on a receipt for
9 the fifth delinquent year. Such taxes so collected shall be prorated in
10 proportion to the levies applicable for the year levied. All ~~state taxes~~
11 ~~when collected shall be remitted to the State Treasurer and by him or her~~
12 ~~credited to the fund or funds for which the levy or levies were made, and~~
13 ~~all~~ county funds when collected shall be placed to the credit of the
14 county general fund; all municipal, school district, ~~learning community,~~
15 township, precinct, and special funds shall be entered in separate
16 columns. All taxes so consolidated shall be paid in order of priority of
17 delinquency.

18 Sec. 53. Section 77-1702, Reissue Revised Statutes of Nebraska, is
19 amended to read:

20 77-1702 State warrants are receivable for the amount payable into
21 the state treasury on account of tax levied for general state purposes.
22 County warrants are receivable for the amount payable into the county
23 treasury for general purposes. City warrants shall be received for the
24 city general tax, village warrants for the village general tax, and town
25 warrants for the town general tax. State, city, village, or township
26 taxes, levied for other special purposes, may be paid by warrants drawn
27 and payable out of the particular fund on account of which they are
28 tendered. Lawful money of the United States, checks, drafts, credit
29 cards, charge cards, debit cards, money orders, electronic funds
30 transfers, or other bills of exchange may be accepted in payment of any
31 state, county, village, township, school district, ~~learning community,~~ or

1 other governmental subdivision tax, levy, excise, duty, custom, toll,
2 penalty, fine, license, fee, or assessment of whatever kind or nature,
3 whether general or special.

4 Sec. 54. Section 77-1704.01, Reissue Revised Statutes of Nebraska,
5 is amended to read:

6 77-1704.01 (1) The county treasurer shall include with each tax
7 notice to every taxpayer and with each receipt provided to a taxpayer the
8 following information:

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

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

14 (c) For real property, the amount of taxes reflected on the
15 statement that are levied by the county, city, village, school district,
16 ~~learning community,~~ and other subdivisions for the tax year and for the
17 immediately past year on the same parcel; and

18 (d) For real property that has its taxes divided under section
19 18-2147 as part of a redevelopment project under the Community
20 Development Law, the amount of taxes reflected on the statement that are
21 allocated to the county, city, village, school district, ~~learning~~
22 ~~community,~~ and other subdivisions, the amount of taxes reflected on the
23 statement that are allocated to the redevelopment project, and a
24 statement explaining that taxes on the real property have been divided as
25 part of a redevelopment project under the Community Development Law for a
26 period not to exceed fifteen years. ~~;~~ and

27 ~~(e) For taxes levied for fiscal year 2017-18 on real property within~~
28 ~~a learning community, statements explaining that the school district~~
29 ~~levies for learning community member districts are increasing, in part,~~
30 ~~as a result of the expiration of the learning community common levies,~~
31 ~~the proceeds of which were distributed directly to school districts, and~~

1 ~~that the remaining learning community levies fund activities of the~~
2 ~~learning community.~~

3 (2) The necessary form for furnishing the information required by
4 subdivisions (1)(a) and ~~, (b), and (e)~~ of this section shall be
5 prescribed by the Department of Revenue. The necessary information
6 required by subdivision (1)(a) of this section shall be furnished to the
7 county treasurer by the Department of Revenue prior to October 1 of each
8 year. The form prescribed by the Department of Revenue shall contain the
9 following statement:

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

13 Sec. 55. Section 77-1708, Reissue Revised Statutes of Nebraska, is
14 amended to read:

15 77-1708 The county treasurer is required to keep a cash book in
16 which he or she shall enter an account of all money received, specifying
17 in proper columns provided for that purpose the date of payment, the
18 number of the receipt issued therefor, and on account of what fund or
19 funds the same was paid, whether state, county, school, ~~learning~~
20 ~~community,~~ road, sinking fund or otherwise, each in separate columns, and
21 the total amount for which the receipt was given in another column. The
22 treasurer shall keep the account of money received for and on account of
23 taxes separate and distinct from money received on any other account. He
24 or she shall also keep the account of money received for and on account
25 of taxes levied and assessed for any one year separate and distinct from
26 those levied and assessed for any other year. All entries in the cash
27 book of money received for taxes shall be in the numerical order of the
28 receipts issued therefor.

29 Sec. 56. Section 77-1736.06, Reissue Revised Statutes of Nebraska,
30 is amended to read:

31 77-1736.06 The following procedure shall apply when making a

1 property tax refund:

2 (1) Within thirty days of the entry of a final nonappealable order,
3 an unprotested determination of a county assessor, an unappealed decision
4 of a county board of equalization, or other final action requiring a
5 refund of real or personal property taxes paid or, for property valued by
6 the state, within thirty days of a recertification of value by the
7 Property Tax Administrator pursuant to section 77-1775 or 77-1775.01, the
8 county assessor shall determine the amount of refund due the person
9 entitled to the refund, certify that amount to the county treasurer, and
10 send a copy of such certification to the person entitled to the refund.
11 Within thirty days from the date the county assessor certifies the amount
12 of the refund, the county treasurer shall notify each political
13 subdivision, including any ~~school district receiving a distribution~~
14 ~~pursuant to section 79-1073 and any~~ land bank receiving real property
15 taxes pursuant to subdivision (3)(a) of section 19-5211, of its
16 respective share of the refund, except that for any political subdivision
17 whose share of the refund is two hundred dollars or less, the county
18 board may waive this notice requirement. Notification shall be by first-
19 class mail, postage prepaid, to the last-known address of record of the
20 political subdivision. The county treasurer shall pay the refund from
21 funds in his or her possession belonging to any political subdivision,
22 including any ~~school district receiving a distribution pursuant to~~
23 ~~section 79-1073 and any~~ land bank receiving real property taxes pursuant
24 to subdivision (3)(a) of section 19-5211, which received any part of the
25 tax or penalty being refunded. If sufficient funds are not available or
26 the political subdivision, within thirty days of the mailing of the
27 notice by the county treasurer if applicable, certifies to the county
28 treasurer that a hardship would result and create a serious interference
29 with its governmental functions if the refund of the tax or penalty is
30 paid, the county treasurer shall register the refund or portion thereof
31 which remains unpaid as a claim against such political subdivision and

1 shall issue the person entitled to the refund a receipt for the
2 registration of the claim. The certification by a political subdivision
3 declaring a hardship shall be binding upon the county treasurer;

4 (2) The refund of a tax or penalty or the receipt for the
5 registration of a claim made or issued pursuant to this section shall be
6 satisfied in full as soon as practicable and in no event later than five
7 years from the date the final order or other action approving a refund is
8 entered. The governing body of the political subdivision shall make
9 provisions in its budget for the amount of any refund or claim to be
10 satisfied pursuant to this section. If a receipt for the registration of
11 a claim is given:

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

17 (b) To the extent the amount of such receipt exceeds the amount of
18 such tax liability, the unsatisfied balance of the receipt shall be paid
19 and satisfied within the five-year period prescribed in this subdivision
20 from a combination of a credit against taxes anticipated to be due to the
21 political subdivision during such period and cash payment from any funds
22 expected to accrue to the political subdivision pursuant to a written
23 plan to be filed by the political subdivision with the county treasurer
24 no later than thirty days after the claim against the political
25 subdivision is first reduced by operation of a credit against taxes due
26 to such political subdivision.

27 If a political subdivision fails to fully satisfy the refund or
28 claim prior to the sixth next succeeding levy following the entry of a
29 final nonappealable order or other action approving a refund, interest
30 shall accrue on the unpaid balance commencing on the sixth next
31 succeeding levy following such entry or action at the rate set forth in

1 section 45-103;

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

9 (4) When the refund involves property valued by the state, the Tax
10 Commissioner shall be authorized to negotiate a settlement of the amount
11 of the refund or claim due pursuant to this section on behalf of the
12 political subdivision from which such refund or claim is due. Any
13 political subdivision which does not agree with the settlement terms as
14 negotiated may reject such terms, and the refund or claim due from the
15 political subdivision then shall be satisfied as set forth in this
16 section as if no such negotiation had occurred;

17 (5) In the event that the Legislature appropriates state funds to be
18 disbursed for the purposes of satisfying all or any portion of any refund
19 or claim, the Tax Commissioner shall order the county treasurer to
20 disburse such refund amounts directly to the persons entitled to the
21 refund in partial or total satisfaction of such persons' claims. The
22 county treasurer shall disburse such amounts within forty-five days after
23 receipt thereof; and

24 (6) If all or any portion of the refund is reduced by way of
25 settlement or forgiveness by the person entitled to the refund, the
26 proportionate amount of the refund that was paid by an appropriation of
27 state funds shall be reimbursed by the county treasurer to the State
28 Treasurer within forty-five days after receipt of the settlement
29 agreement or receipt of the forgiven refund. The amount so reimbursed
30 shall be credited to the General Fund.

31 Sec. 57. Section 77-1772, Reissue Revised Statutes of Nebraska, is

1 amended to read:

2 77-1772 Interest collected upon delinquent county, city, village,
3 school district, or learning community taxes shall be credited on the
4 books and distributed among the various governmental subdivisions and
5 municipal corporations in the same proportion as the principal of the
6 taxes is credited and distributed. In the case of interest on delinquent
7 learning community taxes owed to a learning community that is no longer
8 in existence, such interest shall be credited on the books and
9 distributed proportionately between the former member school districts of
10 such learning community based on the taxable valuation of such school
11 districts at the time such taxes were levied.

12 Sec. 58. Section 77-2201, Reissue Revised Statutes of Nebraska, is
13 amended to read:

14 77-2201 All warrants upon the State Treasurer or the treasurer of
15 any county, city, school district, ~~learning community,~~ or other municipal
16 corporation shall be paid in the order of their presentation therefor.

17 Sec. 59. Section 77-2202, Reissue Revised Statutes of Nebraska, is
18 amended to read:

19 77-2202 The State Treasurer and the treasurer of every county, city,
20 school district, ~~learning community,~~ or other municipal corporation shall
21 keep a warrant register, which register shall show in columns arranged
22 for that purpose the number, the date, and the amount of each warrant
23 presented and registered, the particular fund upon which the same is
24 drawn, the date of presentation, the name and address of the person in
25 whose name the warrant is registered, the date of payment, the amount of
26 interest, and the total amount paid thereon, with the date when notice to
27 the person in whose name such warrant is registered is mailed.

28 Sec. 60. Section 77-2704.15, Reissue Revised Statutes of Nebraska,
29 is amended to read:

30 77-2704.15 (1)(a) Sales and use taxes shall not be imposed on the
31 gross receipts from the sale, lease, or rental of and the storage, use,

1 or other consumption in this state of purchases by the state, including
2 public educational institutions recognized or established under the
3 provisions of Chapter 85, or by any county, township, city, village,
4 rural or suburban fire protection district, city airport authority,
5 county airport authority, joint airport authority, drainage district
6 organized under sections 31-401 to 31-450, sanitary drainage district
7 organized under sections 31-501 to 31-553, land bank created under the
8 Nebraska Municipal Land Bank Act, natural resources district, county
9 agricultural society, elected county fair board, housing agency as
10 defined in section 71-1575 except for purchases for any commercial
11 operation that does not exclusively benefit the residents of an
12 affordable housing project, cemetery created under section 12-101, or
13 joint entity or agency formed by any combination of two or more counties,
14 townships, cities, villages, or other exempt governmental units pursuant
15 to the Interlocal Cooperation Act, the Integrated Solid Waste Management
16 Act, or the Joint Public Agency Act, except for purchases for use in the
17 business of furnishing gas, water, electricity, or heat, or by any
18 irrigation or reclamation district, the irrigation division of any public
19 power and irrigation district, or school district ~~public schools or~~
20 ~~learning communities established under Chapter 79.~~

21 (b) For purposes of this subsection, purchases by the state or by a
22 governmental unit listed in subdivision (a) of this subsection include
23 purchases by a nonprofit corporation under a lease-purchase agreement,
24 financing lease, or other instrument which provides for transfer of title
25 to the property to the state or governmental unit upon payment of all
26 amounts due thereunder. If a nonprofit corporation will be making
27 purchases under a lease-purchase agreement, financing lease, or other
28 instrument as part of a project with a total estimated cost that exceeds
29 the threshold amount, then such purchases shall qualify for an exemption
30 under this section only if the question of proceeding with such project
31 has been submitted at a primary, general, or special election held within

1 the governmental unit that will be a party to the lease-purchase
2 agreement, financing lease, or other instrument and has been approved by
3 the voters of such governmental unit. For purposes of this subdivision,
4 (i) project means the acquisition of real property or the construction of
5 a public building and (ii) threshold amount means the greater of fifty
6 thousand dollars or six-tenths of one percent of the total actual value
7 of real and personal property of the governmental unit that will be a
8 party to the lease-purchase agreement, financing lease, or other
9 instrument as of the end of the governmental unit's prior fiscal year.

10 (2) The appointment of purchasing agents shall be recognized for the
11 purpose of altering the status of the construction contractor as the
12 ultimate consumer of building materials which are physically annexed to
13 the structure and which subsequently belong to the state or the
14 governmental unit. The appointment of purchasing agents shall be in
15 writing and occur prior to having any building materials annexed to real
16 estate in the construction, improvement, or repair. The contractor who
17 has been appointed as a purchasing agent may apply for a refund of or use
18 as a credit against a future use tax liability the tax paid on inventory
19 items annexed to real estate in the construction, improvement, or repair
20 of a project for the state or a governmental unit.

21 (3) Any governmental unit listed in subsection (1) of this section,
22 except the state, which enters into a contract of construction,
23 improvement, or repair upon property annexed to real estate without first
24 issuing a purchasing agent authorization to a contractor or repairperson
25 prior to the building materials being annexed to real estate in the
26 project may apply to the Tax Commissioner for a refund of any sales and
27 use tax paid by the contractor or repairperson on the building materials
28 physically annexed to real estate in the construction, improvement, or
29 repair.

30 Sec. 63. Section 79-102, Revised Statutes Cumulative Supplement,
31 2018, is amended to read:

1 79-102 School districts in this state are classified as follows:

2 (1) Class III includes any school district embracing territory
3 having a population of less than one hundred fifty thousand inhabitants
4 that maintains both elementary and high school grades under the direction
5 of a single school board;

6 (2) Class IV includes any school district embracing territory having
7 a population of one hundred thousand or more inhabitants with a city of
8 the primary class within the territory of the district that maintains
9 both elementary and high school grades under the direction of a single
10 school board; and

11 (3) Class V includes any school district whose employees participate
12 in a retirement system established pursuant to the Class V School
13 Employees Retirement Act and which embraces territory having a city of
14 the metropolitan class within the territory of the district that
15 maintains both elementary grades and high school grades under the
16 direction of a single school board ~~and any school district with territory
17 in a city of the metropolitan class created pursuant to the Learning
18 Community Reorganization Act and designated as a Class V school district
19 in the reorganization plan.~~

20 Sec. 64. Section 79-201, Reissue Revised Statutes of Nebraska, is
21 amended to read:

22 79-201 (1) For purposes of this section, a child is of mandatory
23 attendance age if the child (a) will reach six years of age prior to
24 January 1 of the then-current school year and (b) has not reached
25 eighteen years of age.

26 (2) Except as provided in subsection (3) of this section, every
27 person residing in a school district within the State of Nebraska who has
28 legal or actual charge or control of any child who is of mandatory
29 attendance age or is enrolled in a public school shall cause such child
30 to enroll in, if such child is not enrolled, and attend regularly a
31 public, private, denominational, or parochial day school which meets the

1 requirements for legal operation prescribed in Chapter 79, or a school
2 which elects pursuant to section 79-1601 not to meet accreditation or
3 approval requirements, each day that such school is open and in session,
4 except when excused by school authorities or when illness or severe
5 weather conditions make attendance impossible or impracticable.

6 (3) Subsection (2) of this section does not apply in the case of any
7 child who:

8 (a) Has obtained a high school diploma by meeting the graduation
9 requirements established in section 79-729;

10 (b) Has completed the program of instruction offered by a school
11 which elects pursuant to section 79-1601 not to meet accreditation or
12 approval requirements;

13 (c) Has reached sixteen years of age and has been withdrawn from
14 school pursuant to section 79-202;

15 (d)(i) Will reach six years of age prior to January 1 of the then-
16 current school year, but will not reach seven years of age prior to
17 January 1 of such school year, (ii) such child's parent or guardian has
18 signed an affidavit stating that the child is participating in an
19 education program that the parent or guardian believes will prepare the
20 child to enter grade one for the following school year, and (iii) such
21 affidavit has been filed by the parent or guardian with the school
22 district in which the child resides;

23 (e)(i) Will reach six years of age prior to January 1 of the then-
24 current school year but has not reached seven years of age, (ii) such
25 child's parent or guardian has signed an affidavit stating that the
26 parent or guardian intends for the child to participate in a school which
27 has elected or will elect pursuant to section 79-1601 not to meet
28 accreditation or approval requirements and the parent or guardian intends
29 to provide the Commissioner of Education with a statement pursuant to
30 subsection (3) of section 79-1601 on or before the child's seventh
31 birthday, and (iii) such affidavit has been filed by the parent or

1 guardian with the school district in which the child resides; or

2 (f) Will not reach six years of age prior to January 1 of the then-
3 current school year and such child was enrolled in a public school and
4 has discontinued the enrollment according to the policy of the school
5 board adopted pursuant to subsection (4) of this section.

6 (4) The board shall adopt policies allowing discontinuation of the
7 enrollment of students who will not reach six years of age prior to
8 January 1 of the then-current school year and specifying the procedures
9 therefor.

10 ~~(5) Each school district that is a member of a learning community~~
11 ~~shall report to the learning community coordinating council on or before~~
12 ~~September 1 of each year for the immediately preceding school year the~~
13 ~~following information:~~

14 ~~(a) All reports of violations of this section made to the attendance~~
15 ~~officer of any school in the district pursuant to section 79-209;~~

16 ~~(b) The results of all investigations conducted pursuant to section~~
17 ~~79-209, including the attendance record that is the subject of the~~
18 ~~investigation and a list of services rendered in the case;~~

19 ~~(c) The district's policy on excessive absenteeism; and~~

20 ~~(d) Records of all notices served and reports filed pursuant to~~
21 ~~section 79-209 and the district's policy on habitual truancy.~~

22 Sec. 65. Section 79-215, Revised Statutes Cumulative Supplement,
23 2018, is amended to read:

24 79-215 (1) Except as otherwise provided in this section, a student
25 is a resident of the school district where he or she resides and shall be
26 admitted to any such school district upon request without charge.

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

29 (3) A school board shall admit any homeless student upon request
30 without charge if the district is the district in which the student (a)
31 is currently located, (b) attended when permanently housed, or (c) was

1 last enrolled.

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

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

8 (6) A school board may admit nonresident students to the school
9 district pursuant to the enrollment option program as authorized by
10 sections 79-232 to 79-246, and such admission shall be without charge.

11 ~~(7) For school years prior to school year 2017-18, a school board of~~
12 ~~any school district that is a member of a learning community shall admit~~
13 ~~nonresident students to the school district pursuant to the open~~
14 ~~enrollment provisions of a diversity plan in a learning community as~~
15 ~~authorized by section 79-2110, and such admission shall be without~~
16 ~~charge.~~

17 (7) ~~(8)~~ A school board may admit a student who is a resident of
18 another state to the school district and collect tuition in advance at a
19 rate determined by the school board.

20 (8) ~~(9)~~ When a student as a ward of the state or as a ward of any
21 court (a) has been placed in a school district other than the district in
22 which he or she resided at the time he or she became a ward and such ward
23 does not reside in a foster family home licensed or approved by the
24 Department of Health and Human Services or a foster home maintained or
25 used pursuant to section 83-108.04 or (b) has been placed in any
26 institution which maintains a special education program which has been
27 approved by the State Department of Education and such institution is not
28 owned or operated by the district in which he or she resided at the time
29 he or she became a ward, the cost of his or her education and the
30 required transportation costs associated with the student's education
31 shall be paid by the state, but not in advance, to the receiving school

1 district or approved institution under rules and regulations prescribed
2 by the Department of Health and Human Services and the student shall
3 remain a resident of the district in which he or she resided at the time
4 he or she became a ward. Any student who is a ward of the state or a ward
5 of any court who resides in a foster family home licensed or approved by
6 the Department of Health and Human Services or a foster home maintained
7 or used pursuant to section 83-108.04 shall be deemed a resident of the
8 district in which he or she resided at the time he or she became a foster
9 child, unless it is determined under section 43-1311 or 43-1312 that he
10 or she will not attend such district in which case he or she shall be
11 deemed a resident of the district in which the foster family home or
12 foster home is located.

13 (9)(a) ~~(10)(a)~~ When a student is not a ward of the state or a ward
14 of any court and is residing in a residential setting located in Nebraska
15 for reasons other than to receive an education and the residential
16 setting is operated by a service provider which is certified or licensed
17 by the Department of Health and Human Services or is enrolled in the
18 medical assistance program established pursuant to the Medical Assistance
19 Act and Title XIX or XXI of the federal Social Security Act, as amended,
20 the student shall remain a resident of the district in which he or she
21 resided immediately prior to residing in such residential setting. The
22 resident district for a student who is not a ward of the state or a ward
23 of any court does not change when the student moves from one residential
24 setting to another.

25 (b) If a student is residing in a residential setting as described
26 in subdivision (9)(a) ~~(10)(a)~~ of this section and such residential
27 setting does not maintain an interim-program school as defined in section
28 79-1119.01 or an approved or accredited school, the resident school
29 district shall contract with the district in which such residential
30 setting is located for the provision of all educational services,
31 including all special education services and support services as defined

1 in section 79-1125.01, unless a parent or guardian and the resident
2 school district agree that an appropriate education will be provided by
3 the resident school district while the student is residing in such
4 residential setting. If the resident school district is required to
5 contract, the district in which such residential setting is located shall
6 contract with the resident district and provide all educational services,
7 including all special education services, to the student. If the two
8 districts cannot agree on the amount of the contract, the State
9 Department of Education shall determine the amount to be paid by the
10 resident district to the district in which such residential setting is
11 located based on the needs of the student, approved special education
12 rates, the department's general experience with special education
13 budgets, and the cost per student in the district in which such
14 residential setting is located. Once the contract has been entered into,
15 all legal responsibility for special education and related services shall
16 be transferred to the school district in which the residential setting is
17 located.

18 (c) If a student is residing in a residential setting as described
19 in subdivision (9)(a) ~~(10)(a)~~ of this section and such residential
20 setting maintains an interim-program school as defined in section
21 79-1119.01 or an approved or accredited school, the department shall
22 reimburse such residential setting for the provision of all educational
23 services, including all special education services and support services,
24 with the amount of payment for all educational services determined
25 pursuant to the average per pupil cost of the service agency as defined
26 in section 79-1116. The resident school district shall retain
27 responsibility for such student's individualized education plan, if any.
28 The educational services may be provided through (i) such interim-program
29 school or approved or accredited school, (ii) a contract between the
30 residential setting and the school district in which such residential
31 setting is located, (iii) a contract between the residential setting and

1 another service agency as defined in section 79-1124, or (iv) a
2 combination of such educational service providers.

3 (d) If a school district pays a school district in which a
4 residential setting is located for educational services provided pursuant
5 to subdivision (9)(b) ~~(10)(b)~~ of this section and it is later determined
6 that a different school district was the resident school district for
7 such student at the time such educational services were provided, the
8 school district that was later determined to be the resident school
9 district shall reimburse the school district that initially paid for the
10 educational services one hundred ten percent of the amount paid.

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

18 (10) ~~(11)~~ In the case of any individual eighteen years of age or
19 younger who is a ward of the state or any court and who is placed in a
20 county detention home established under section 43-2,110, the cost of his
21 or her education shall be paid by the state, regardless of the district
22 in which he or she resided at the time he or she became a ward, to the
23 agency or institution which: (a) Is selected by the county board with
24 jurisdiction over such detention home; (b) has agreed or contracted with
25 such county board to provide educational services; and (c) has been
26 approved by the State Department of Education pursuant to rules and
27 regulations prescribed by the State Board of Education.

28 (11) ~~(12)~~ No tuition shall be charged for students who may be by law
29 allowed to attend the school without charge.

30 (12) ~~(13)~~ On a form prescribed by the State Department of Education,
31 an adult with legal or actual charge or control of a student shall

1 provide the name of the student, the name of the adult with legal or
2 actual charge or control of the student, the address where the student is
3 residing, and the telephone number and address where the adult may
4 generally be reached during the school day. If the student is homeless or
5 if the adult does not have a telephone number and address where he or she
6 may generally be reached during the school day, those parts of the form
7 may be left blank and a box may be marked acknowledging that these are
8 the reasons these parts of the form were left blank. The adult with legal
9 or actual charge or control of the student shall also sign the form.

10 (13) ~~(14)~~ The department may adopt and promulgate rules and
11 regulations to carry out the department's responsibilities under this
12 section.

13 Sec. 66. Section 79-233, Revised Statutes Cumulative Supplement,
14 2018, is amended to read:

15 79-233 For purposes of sections 79-232 to 79-246:

16 (1) Enrollment option program means the program established in
17 section 79-234;

18 (2) Option school district means the public school district that an
19 option student chooses to attend instead of his or her resident school
20 district;

21 (3) Option student means a student that has chosen to attend an
22 option school district, including an open enrollment option student ~~or a~~
23 ~~student who resides in a learning community and began attendance as an~~
24 ~~option student in an option school district in such learning community~~
25 ~~prior to the end of the first full school year for which the option~~
26 ~~school district will be a member of such learning community, but, for~~
27 ~~school years prior to school year 2017-18, not including a student who~~
28 ~~resides in a learning community and who attends pursuant to section~~
29 ~~79-2110 another school district in such learning community;~~

30 (4) Open enrollment option student means a student who attends
31 ~~resides in a school district that is a member of a learning community,~~

1 ~~attended~~ a school building in a another school district other than the
2 school district where such student resides in such learning community as
3 ~~an open enrollment student pursuant to section 79-2110, and attends such~~
4 ~~school building~~ as an open enrollment option student pursuant to section
5 79-235.01;

6 (5) Resident school district means the ~~public~~ school district in
7 which a student resides or the school district in which the student is
8 admitted as a resident of the school district pursuant to section 79-215;
9 and

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

13 Sec. 67. Section 79-235, Revised Statutes Cumulative Supplement,
14 2018, is amended to read:

15 79-235 For purposes of all duties, entitlements, and rights
16 established by law, including special education as provided in section
17 79-1127, except as provided in section 79-241 and, for open enrollment
18 option students, except as provided in section 79-235.01, option students
19 shall be treated as resident students of the option school district. The
20 option student may request a particular school building, but the building
21 assignment of the option student shall be determined by the option school
22 district except as provided in section 79-235.01 for open enrollment
23 option students ~~and in subsection (3) of section 79-2110 for students~~
24 ~~attending a focus school, focus program, or magnet school~~. In determining
25 eligibility for extracurricular activities as defined in section
26 79-2,126, the option student shall be treated similarly to other students
27 who transfer into the school from another public, private,
28 denominational, or parochial school.

29 Sec. 68. Section 79-235.01, Revised Statutes Cumulative Supplement,
30 2018, is amended to read:

31 79-235.01 Each student attending a school building outside of the

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

24 Sec. 69. Section 79-237, Revised Statutes Cumulative Supplement,
25 2018, is amended to read:

26 79-237 (1) For a student to begin attendance as an option student in
27 an option school district, the student's parent or legal guardian shall
28 submit an application to the school board of the option school district
29 between September 1 and March 15 for attendance during the following and
30 subsequent school years. Except as provided in subsection (2) of this
31 section, applications submitted after March 15 shall contain a release

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

16 (2) A student who relocates to a different resident school district
17 after February 1 or whose option school district merges with another
18 district effective after February 1 may submit an application to the
19 school board of an option school district for attendance during the
20 current or immediately following and subsequent school years ~~unless the~~
21 ~~applicant is a resident of a learning community and the application is~~
22 ~~for attendance to begin prior to school year 2017-18 in an option school~~
23 ~~district that is also a member of such learning community.~~ Such
24 application does not require the release approval of the resident school
25 district. The option school district shall accept or reject such
26 application within forty-five days.

27 ~~(3) A parent or guardian may provide information on the application~~
28 ~~for an option school district that is a member of a learning community~~
29 ~~regarding the applicant's potential qualification for free or reduced-~~
30 ~~price lunches. Any such information provided shall be subject to~~
31 ~~verification and shall only be used for the purposes of subsection (4) of~~

1 ~~section 79-238. Nothing in this subsection requires a parent or guardian~~
2 ~~to provide such information. Determinations about an applicant's~~
3 ~~qualification for free or reduced-price lunches for purposes of~~
4 ~~subsection (4) of section 79-238 shall be based on any verified~~
5 ~~information provided on the application. If no such information is~~
6 ~~provided, the student shall be presumed not to qualify for free or~~
7 ~~reduced-price lunches for the purposes of subsection (4) of section~~
8 ~~79-238.~~

9 (3) ~~(4)~~ Applications for students who do not actually attend the
10 option school district may be withdrawn in good standing upon mutual
11 agreement by both the resident and option school districts.

12 (4) ~~(5)~~ No option student shall attend an option school district for
13 less than one school year unless the student relocates to a different
14 resident school district, completes requirements for graduation prior to
15 the end of his or her senior year, transfers to a private or parochial
16 school, or upon mutual agreement of the resident and option school
17 districts cancels the enrollment option and returns to the resident
18 school district.

19 (5) ~~(6)~~ Except as provided in subsection (4) ~~(5)~~ of this section or,
20 for open enrollment option students, in section 79-235.01, the option
21 student shall attend the option school district until graduation unless
22 the student relocates in a different resident school district, transfers
23 to a private or parochial school, or chooses to return to the resident
24 school district.

25 (6) ~~(7)~~ In each case of cancellation pursuant to subsections (4) and
26 (5) ~~and (6)~~ of this section, the student's parent or legal guardian shall
27 provide written notification to the school board of the option school
28 district and the resident school district on forms prescribed and
29 furnished by the department under subsection (7) ~~(8)~~ of this section in
30 advance of such cancellation.

31 (7) ~~(8)~~ The application and cancellation forms shall be prescribed

1 and furnished by the State Department of Education.

2 ~~(8)~~ (9) An option student who subsequently chooses to attend a
3 private or parochial school and who is not an open enrollment option
4 student shall be automatically accepted to return to either the resident
5 school district or option school district upon the completion of the
6 grade levels offered at the private or parochial school. If such student
7 chooses to return to the option school district, the student's parent or
8 legal guardian shall submit another application to the school board of
9 the option school district which shall be automatically accepted, and the
10 deadlines prescribed in this section shall be waived.

11 Sec. 70. Section 79-238, Revised Statutes Cumulative Supplement,
12 2018, is amended to read:

13 79-238 (1) Except as provided in this section and sections 79-235.01
14 and 79-240, the school board of the option school district shall adopt by
15 resolution specific standards for acceptance and rejection of
16 applications and for providing transportation for option students.
17 Standards may include the capacity of a program, class, grade level, or
18 school building or the availability of appropriate special education
19 programs operated by the option school district. ~~Capacity For a school~~
20 ~~district that is not a member of a learning community, capacity~~ shall be
21 determined by setting a maximum number of option students that a district
22 will accept in any program, class, grade level, or school building, based
23 upon available staff, facilities, projected enrollment of resident
24 students, projected number of students with which the option school
25 district will contract based on existing contractual arrangements, and
26 availability of appropriate special education programs. ~~To facilitate~~
27 ~~option enrollment within a learning community, member school districts~~
28 ~~shall annually (a) establish and report a maximum capacity for each~~
29 ~~school building under such district's control pursuant to procedures,~~
30 ~~criteria, and deadlines established by the learning community~~
31 ~~coordinating council and (b) provide a copy of the standards for~~

1 ~~acceptance and rejection of applications and transportation policies for~~
2 ~~option students to the learning community coordinating council.~~ Except as
3 otherwise provided in this section, the school board of the option school
4 district may by resolution declare a program, a class, or a school
5 unavailable to option students due to lack of capacity. Standards shall
6 not include previous academic achievement, athletic or other
7 extracurricular ability, disabilities, proficiency in the English
8 language, or previous disciplinary proceedings except as provided in
9 section 79-266.01. False or substantively misleading information
10 submitted by a parent or guardian on an application to an option school
11 district may be cause for the option school district to reject a
12 previously accepted application if the rejection occurs prior to the
13 student's attendance as an option student.

14 (2) The school board of every school district shall also adopt
15 specific standards and conditions for acceptance or rejection of a
16 request for release of a resident or option student submitting an
17 application to an option school district after March 15 under subsection
18 (1) of section 79-237. Standards shall not include that a request
19 occurred after the deadline set forth in this subsection.

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

25 (4) ~~Any option school district that is in a learning community shall~~
26 ~~give first priority for enrollment to siblings of option students~~
27 ~~enrolled in the option school district, second priority for enrollment to~~
28 ~~students who have previously been enrolled in the option school district~~
29 ~~as an open enrollment student, third priority for enrollment to students~~
30 ~~who reside in the learning community and who contribute to the~~
31 ~~socioeconomic diversity of enrollment at the school building to which the~~

~~1 student will be assigned pursuant to section 79-235, and final priority
2 for enrollment to other students who reside in the learning community.
3 The option school district shall not be required to accept a student
4 meeting the priority criteria in this section if the district is at
5 capacity as determined pursuant to subsection (1) of this section except
6 as provided in section 79-235.01 or 79-240. For purposes of the
7 enrollment option program, a student who contributes to the socioeconomic
8 diversity of enrollment at a school building within a learning community
9 means (a) a student who does not qualify for free or reduced-price
10 lunches when, based upon the certification pursuant to section 79-2120,
11 the school building the student will be assigned to attend either has
12 more students qualifying for free or reduced-price lunches than the
13 average percentage of such students in all school buildings in the
14 learning community or provides free meals to all students pursuant to the
15 community eligibility provision or (b) a student who qualifies for free
16 or reduced-price lunches based on information collected voluntarily from
17 parents and guardians pursuant to section 79-237 when, based upon the
18 certification pursuant to section 79-2120, the school building the
19 student will be assigned to attend has fewer students qualifying for free
20 or reduced-price lunches than the average percentage of such students in
21 all school buildings in the learning community and does not provide free
22 meals to all students pursuant to the community eligibility provision.~~

23 Sec. 71. Section 79-241, Revised Statutes Cumulative Supplement,
24 2018, is amended to read:

25 79-241 (1) Except as otherwise provided in this section, section
26 79-611 does not apply to the transportation of an option student. The
27 parent or legal guardian of the option student shall be responsible for
28 required transportation. A school district may, upon mutual agreement
29 with the parent or legal guardian of an option student, provide
30 transportation to the option student on the same basis as provided for
31 resident students. The school district may charge the parents of each

1 option student transported a fee sufficient to recover the additional
2 costs of such transportation.

3 (2) Option students who qualify for free lunches shall be eligible
4 for either free transportation or transportation reimbursement as
5 described in section 79-611 from the option school district pursuant to
6 policies established by the school district in compliance with this
7 section, except that they shall be reimbursed at the rate of one hundred
8 forty-two and one-half percent of the mandatorily established mileage
9 rate provided in section 81-1176 for each mile actually and necessarily
10 traveled on each day of attendance by which the distance traveled one way
11 from the residence of such student to the schoolhouse exceeds three
12 miles.

13 (3) For open enrollment option students who received free
14 transportation for school year 2016-17 pursuant to subsection (2) of
15 section 79-611 as such subsection existed on July 1, 2016, the school
16 board of the option school district shall continue to provide free
17 transportation for the duration of the student's status as an open
18 enrollment option student ~~or for the duration of the student's enrollment~~
19 ~~in a pathway pursuant to subsection (3) of section 79-2110~~ unless the
20 student relocates to a school district that would have prevented the
21 student from qualifying for free transportation for the 2016-17 school
22 year pursuant to subsection (2) of section 79-611 as such subsection
23 existed on July 1, 2016.

24 (4) For option students verified as having a disability as defined
25 in section 79-1118.01, the transportation services set forth in section
26 79-1129 shall be provided by the resident school district. The State
27 Department of Education shall reimburse the resident school district for
28 the cost of transportation in accordance with section 79-1144.

29 Sec. 72. Section 79-2,104, Reissue Revised Statutes of Nebraska, is
30 amended to read:

31 79-2,104 (1) Any student in any public school or his or her parents,

1 guardians, teachers, counselors, or school administrators shall have
2 access to the school's files or records maintained concerning such
3 student, including the right to inspect, review, and obtain copies of
4 such files or records. No other person shall have access to such files or
5 records except (a) when a parent, guardian, or student of majority age
6 provides written consent or (b) as provided in subsection (3) of this
7 section. The contents of such files or records shall not be divulged in
8 any manner to any unauthorized person. All such files or records shall be
9 maintained so as to separate academic and disciplinary matters, and all
10 disciplinary material shall be removed and destroyed after a student's
11 continuous absence from the school for a period of three years.

12 (2) Each public school may establish a schedule of fees representing
13 a reasonable cost of reproduction for copies of a student's files or
14 records for the parents or guardians of such student, except that the
15 imposition of a fee shall not prevent parents of students from exercising
16 their right to inspect and review the students' files or records and no
17 fee shall be charged to search for or retrieve any student's files or
18 records.

19 (3)(a) This section does not preclude authorized representatives of
20 (i) auditing officials of the United States, (ii) auditing officials of
21 this state, or (iii) state educational authorities from having access to
22 student or other records which are necessary in connection with the audit
23 and evaluation of federally supported or state-supported education
24 programs or in connection with the enforcement of legal requirements
25 which relate to such programs, except that, when collection of personally
26 identifiable data is specifically authorized by law, any data collected
27 by such officials with respect to individual students shall be protected
28 in a manner which shall not permit the personal identification of
29 students and their parents by other than the officials listed in this
30 subsection. Personally identifiable data shall be destroyed when no
31 longer needed for such audit, evaluation, or enforcement of legal

1 requirements.

2 (b) This section does not preclude or prohibit the disclosure of
3 student records to any other person or entity which may be allowed to
4 have access pursuant to the federal Family Educational Rights and Privacy
5 Act of 1974, 20 U.S.C. 1232g, as such act existed on February 1, 2013,
6 and regulations adopted thereunder.

7 (4) The Legislature finds and declares that the sharing of student
8 data, records, and information among school districts, educational
9 service units, ~~learning communities,~~ and the State Department of
10 Education, to the fullest extent practicable and permitted by law, is
11 vital to advancing education in this state. Whenever applicable law
12 permits the sharing of such student data, records, and information, each
13 school district and , educational service unit, ~~and learning community~~
14 shall comply unless otherwise prohibited by law. The State Board of
15 Education shall adopt and promulgate rules and regulations providing for
16 and requiring the uniform sharing of student data, records, and
17 information among school districts, educational service units, ~~learning~~
18 ~~communities,~~ and the department.

19 Sec. 73. Section 79-407, Revised Statutes Cumulative Supplement,
20 2018, is amended to read:

21 79-407 The territory within the corporate limits of each
22 incorporated municipality in the State of Nebraska ~~that is not in part~~
23 ~~within the boundaries of a learning community,~~ together with such
24 additional territory and additions to such municipality as may be added
25 thereto, as declared by ordinances to be boundaries of such municipality,
26 having a population of less than one hundred fifty thousand inhabitants
27 as determined by the most recent federal decennial census or the most
28 recent revised certified count by the United States Bureau of the Census,
29 including such adjacent territory as now is or hereafter may be attached
30 for school purposes, shall constitute a Class III school district, ~~except~~
31 ~~that nothing in this section shall be construed to change the boundaries~~

1 ~~of any school district that is a member of a learning community.~~ The
2 school district shall be a body corporate and possess all the usual
3 powers of a corporation for public purposes and may sue and be sued,
4 purchase, hold, and sell such personal and real property, and control
5 such obligations as are authorized by law.

6 Sec. 74. Section 79-408, Revised Statutes Cumulative Supplement,
7 2018, is amended to read:

8 79-408 The territory now or hereafter embraced within each
9 incorporated city of the metropolitan class or city of the primary class
10 in the State of Nebraska ~~that is not in part within the boundaries of a~~
11 ~~learning community~~, such adjacent territory as now or hereafter may be
12 included therewith for school purposes, and such territory not adjacent
13 thereto as may have been added thereto by law shall constitute a Class IV
14 school district, ~~except that nothing in this section shall be construed~~
15 ~~to change the boundaries of any school district that is a member of a~~
16 ~~learning community~~. A Class IV school district shall be a body corporate
17 and possess all the usual powers of a corporation for public purposes,
18 may sue and be sued, and may purchase, hold, and sell such personal and
19 real estate and contract such obligations as are authorized by law.

20 The title to all real or personal property owned by such school
21 district shall, upon the organization of the school district, vest
22 immediately in the school district so created. The board of education
23 shall have exclusive control of all property belonging to the school
24 district.

25 Sec. 75. Section 79-413, Revised Statutes Cumulative Supplement,
26 2018, is amended to read:

27 79-413 (1) The State Committee for the Reorganization of School
28 Districts created under section 79-435 may create a new school district
29 from other districts or change the boundaries of any school district ~~that~~
30 ~~is not a member of a learning community~~ upon receipt of petitions signed
31 by sixty percent of the legal voters of each district affected. If the

1 petitions contain signatures of at least sixty-five percent of the legal
2 voters of each district affected, the state committee shall approve the
3 petitions.

4 (2) Petitions proposing to change the boundaries of existing school
5 districts ~~that are not members of a learning community~~ through the
6 transfer of a parcel of land, not to exceed six hundred forty acres,
7 shall be approved by the state committee when the petitions involve the
8 transfer of land between Class III or IV school districts or when there
9 would be an exchange of parcels of land between Class III or IV school
10 districts and the petitions have the approval of at least sixty-five
11 percent of the school board of each affected district.

12 (3)(a) Petitions proposing to create a new school district or to
13 change the boundary lines of existing school districts ~~that are not~~
14 ~~members of a learning community~~, any of which involves the transfer of
15 more than six hundred forty acres, shall, when signed by at least sixty
16 percent of the legal voters in each district affected, be submitted to
17 the state committee. The state committee shall, within forty days after
18 receipt of the petition, hold one or more public hearings and review and
19 approve or disapprove such proposal.

20 (b) If there is a bond election to be held in conjunction with the
21 petition, the state committee shall hold the petition until the bond
22 election has been held, during which time names may be added to or
23 withdrawn from the petitions. The results of the bond election shall be
24 certified to the state committee.

25 (c) If the bond election held in conjunction with the petition is
26 unsuccessful, no further action on the petition is required. If the bond
27 election is successful, within fifteen days after receipt of the
28 certification of the bond election results, the state committee shall
29 approve the petition and notify the county clerk to effect the changes in
30 district boundary lines as set forth in the petitions.

31 (4) Any person adversely affected by the changes made by the state

1 committee may appeal to the district court of any county in which the
2 real estate or any part thereof involved in the dispute is located. If
3 the real estate is located in more than one county, the court in which an
4 appeal is first perfected shall obtain jurisdiction to the exclusion of
5 any subsequent appeal.

6 (5) A signing petitioner may withdraw his or her name from a
7 petition and a legal voter may add his or her name to a petition at any
8 time prior to the end of the period when the petition is held by the
9 state committee. Additions and withdrawals of signatures shall be by
10 notarized affidavit filed with the state committee.

11 Sec. 76. Section 79-415, Revised Statutes Cumulative Supplement,
12 2018, is amended to read:

13 79-415 In addition to the petitions of legal voters pursuant to
14 section 79-413, changes in boundaries and the creation of a new school
15 district from other districts may be initiated and accepted by the school
16 board or board of education of any school district ~~that is not a member~~
17 ~~of a learning community.~~

18 Sec. 77. Section 79-433, Reissue Revised Statutes of Nebraska, is
19 amended to read:

20 79-433 For purposes of the Reorganization of School Districts Act,
21 unless the context otherwise requires:

22 (1) Reorganization of school districts means the formation of new
23 school districts, the alteration of boundaries of established school
24 ~~districts that are not members of a learning community, the affiliation~~
25 ~~of school districts,~~ and the dissolution or disorganization of
26 established school districts through or by means of any one or
27 combination of the methods set out in section 79-434; and

28 (2) State committee means the State Committee for the Reorganization
29 of School Districts created by section 79-435.

30 Sec. 78. Section 79-458, Revised Statutes Cumulative Supplement,
31 2018, is amended to read:

1 79-458 (1) Any freeholder or freeholders, person in possession or
2 constructive possession as vendee pursuant to a contract of sale of the
3 fee, holder of a school land lease under section 72-232, or entrant upon
4 government land who has not yet received a patent therefor may file a
5 petition on or before June 1 for all other years with a board consisting
6 of the county assessor, county clerk, and county treasurer, asking to
7 have any tract or tracts of land described in the petition set off from
8 an existing school district in which the land is situated and attached to
9 a different school district which is contiguous to such tract or tracts
10 of land if:

11 (a)(i) The school district in which the land is situated is a Class
12 III school district which has had an average daily membership in grades
13 nine through twelve of less than sixty for the two consecutive school
14 fiscal years immediately preceding the filing of the petition;

15 (ii) Such Class III school district has voted pursuant to section
16 77-3444 to exceed the maximum levy established pursuant to subdivision
17 (2)(a) of section 77-3442, which vote is effective for the school fiscal
18 year in which the petition is filed or for the following school fiscal
19 year; and

20 (iii) The high school in such Class III school district is within
21 fifteen miles on a maintained public highway or maintained public road of
22 another public high school; or and

23 ~~(iv) Neither school district is a member of a learning community; or~~

24 (b) Except as provided in subsection (7) of this section, the school
25 district in which the land is situated, regardless of the class of school
26 district, has approved a budget for the school fiscal year in which the
27 petition is filed that will cause the combined levies for such school
28 fiscal year, except levies for bonded indebtedness approved by the voters
29 of such school district and levies for the refinancing of such bonded
30 indebtedness, to exceed the greater of (i) one dollar and twenty cents
31 per one hundred dollars of taxable valuation of property subject to the

1 levy or (ii) the maximum levy authorized by a vote pursuant to section
2 77-3444.

3 For purposes of determining whether a tract of land is contiguous,
4 all petitions currently being considered by the board shall be considered
5 together as a whole.

6 (2) The petition shall state the reasons for the proposed change and
7 shall show with reference to the land of each petitioner: (a) That (i)
8 the land described in the petition is either owned by the petitioner or
9 petitioners or that he, she, or they hold a school land lease under
10 section 72-232, are in possession or constructive possession as vendee
11 under a contract of sale of the fee simple interest, or have made an
12 entry on government land but have not yet received a patent therefor and
13 (ii) such tract of land includes all such contiguous land owned or
14 controlled by each petitioner; (b) that the conditions of subdivision (1)
15 (a) or (1)(b) of this section have been met; and (c) that such petition
16 is approved by a majority of the members of the school board of the
17 district to which such land is sought to be attached.

18 (3) The petition shall be verified by the oath of each petitioner.
19 Notice of the filing of the petition and of the hearing on such petition
20 before the board constituted as prescribed in subsection (1) or (4) of
21 this section shall be given at least ten days prior to the date of such
22 hearing by one publication in a legal newspaper of general circulation in
23 each district and by posting a notice on the outer door of the
24 schoolhouse in each district affected thereby, and such notice shall
25 designate the territory to be transferred. Following the filing of a
26 petition pursuant to this section, such board shall hold a public hearing
27 on the petition and shall approve or disapprove the petition on or before
28 July 15 following the filing of the petition based on a determination of
29 whether the petitioner has complied with all requirements of this
30 section. If such board approves the petition, such board shall change the
31 boundaries of the school districts so as to set off the land described in

1 the petition and attach it to such district pursuant to the petition with
2 an effective date of August 15 following the filing of the petition,
3 which actions shall cause such transfer to be in effect for levies set
4 for the year in which such transfer takes effect.

5 (4) Petitions requesting transfers of property across county lines
6 shall be addressed jointly to the county clerks of the counties
7 concerned, and the petitions shall be acted upon by the county assessors,
8 county clerks, and county treasurers of the counties involved as one
9 board, with the county clerk of the county from which the land is sought
10 to be transferred acting as chairperson of the board.

11 (5) Appeals may be taken from the action of such board or, when such
12 board fails to act on the petition, on or before August 1 following the
13 filing of the petition, to the district court of the county in which the
14 land is located on or before August 10 following the filing of the
15 petition, in the same manner as appeals are now taken from the action of
16 the county board in the allowance or disallowance of claims against the
17 county. If an appeal is taken from the action of the board approving the
18 petition or failing to act on the petition, the transfer shall occur
19 effective August 15 following the filing of the petition, which actions
20 shall cause such transfer to be in effect for levies set for the year in
21 which such transfer takes effect, unless action by the district court
22 prevents such transfer.

23 (6) This section does not apply to any school district located on an
24 Indian reservation and substantially or totally financed by the federal
25 government.

26 (7) For school districts that have approved a budget for school
27 fiscal year 2007-08 that will cause the combined levies, except levies
28 for bonded indebtedness approved by the voters of the school district and
29 levies for the refinancing of such bonded indebtedness, to exceed the
30 greater of (a) one dollar and twenty cents per one hundred dollars of
31 taxable valuation of property subject to the levy or (b) the maximum levy

1 authorized by a vote pursuant to section 77-3444, the school boards of
2 such school districts may adopt a binding resolution stating that the
3 combined levies, except levies for bonded indebtedness approved by the
4 voters of the school district and levies for the refinancing of such
5 bonded indebtedness, for school fiscal year 2008-09 shall not exceed the
6 greater of (i) one dollar and twenty cents per one hundred dollars of
7 taxable valuation of property subject to the levy or (ii) the maximum
8 levy authorized by a vote pursuant to section 77-3444. On or before May
9 9, 2008, such binding resolutions shall be filed with the Auditor of
10 Public Accounts and the county assessors, county clerks, and county
11 treasurers for all counties in which the school district has territory.
12 If such binding resolution is filed on or before May 9, 2008, land shall
13 not be set off and attached to another district pursuant to subdivision
14 (2)(b) of this section in 2008.

15 (8) Nothing in this section shall be construed to detach obligations
16 for voter-approved bonds from any tract of land.

17 Sec. 79. Section 79-458.01, Reissue Revised Statutes of Nebraska, is
18 amended to read:

19 79-458.01 Any landowner or group of landowners whose property is a
20 part of a school district and is encapsulated by another school district
21 may, upon filing a notarized affidavit with the county assessor, have
22 such property become a part of the school district by which it is
23 encapsulated ~~if neither school district is a member of a learning~~
24 ~~community~~. The transfer shall take place on January 1 next following the
25 filing of the affidavit. Any student resident of such property shall be
26 counted as a resident of the district from which the property was
27 transferred until the close of the school year in which the transfer
28 becomes effective.

29 For purposes of this section, encapsulated by means entirely within.

30 Sec. 80. Section 79-467, Reissue Revised Statutes of Nebraska, is
31 amended to read:

1 79-467 Whenever (1) a school district ~~that is not a member of a~~
2 ~~learning community~~ suffers a reduction in the taxable valuation of the
3 real property within the district by reason of the purchase or
4 appropriation by the United States or any instrumentality of the United
5 States of land in the district for any defense, flood control,
6 irrigation, or war project, (2) the number of children who are five
7 through twenty years of age residing in the district increases by reason
8 of the use by the United States of the land so purchased or appropriated
9 for such purposes, and (3) such increase in the number of pupils who will
10 be eligible to attend school in the district does or will require a levy
11 of taxes for general school purposes in excess of the average levy for
12 general school purposes of school districts of the same class in the
13 county, the State Committee for the Reorganization of School Districts
14 shall change the boundaries of the existing district to exclude all land
15 purchased and appropriated by the United States and all land which by
16 reason of its use or ownership is exempt from state taxation under the
17 United States Constitution and the statutes of the United States. When
18 the United States, by the appropriate officer, does not accept or has not
19 accepted exclusive jurisdiction over land so excluded, the state
20 committee shall form a new school district embracing land thus excluded.

21 Sec. 81. Section 79-468, Reissue Revised Statutes of Nebraska, is
22 amended to read:

23 79-468 (1) Whenever a city of the second class, a village, or a ward
24 of a city of the second class or village is consolidated according to law
25 with a city of the primary class, the territory so consolidated shall
26 become annexed to and merged into the school district of such city of the
27 primary class ~~if such territory is in a school district that is not a~~
28 ~~member of a learning community and the school district of such city of~~
29 ~~the primary class is not a member of a learning community.~~ All laws,
30 rules, and regulations governing the school district and schools of such
31 city of the primary class shall apply to the district and schools within

1 the territory annexed to it. The school district into which the others in
2 whole or in part are merged shall succeed to all the property, contracts,
3 and obligations of each and all of the school districts so merged into
4 it, in whole or in part, and shall assume all of their valid contracts
5 and obligations.

6 (2) If one or more wards, but less than all wards, of a city of the
7 second class or of a village become consolidated with such city of the
8 primary class, the school district into which such territory is merged
9 shall assume such portion of all valid contracts and obligations of the
10 school district of which such territory before the consolidation was a
11 part as the taxable valuation of all the property of the territory thus
12 merged with the school district of such city of the primary class bears
13 to the total taxable valuation of all the property within the school
14 district from which such territory has been detached.

15 Sec. 82. Section 79-473, Revised Statutes Cumulative Supplement,
16 2018, is amended to read:

17 79-473 (1) If the territory annexed by a change of boundaries of a
18 city or village which lies within a Class III school district as provided
19 in section 79-407 has been part of a Class IV or Class V school district
20 prior to such annexation, a merger of the annexed territory with the
21 Class III school district shall become effective only if the merger is
22 approved by a majority of the members of the school board of the Class IV
23 or V school district and a majority of the members of the school board of
24 the Class III school district within ninety days after the effective date
25 of the annexation ordinance, ~~except that a merger shall not become~~
26 ~~effective pursuant to this section if such merger involves a school~~
27 ~~district that is a member of a learning community.~~

28 (2) Notwithstanding subsection (1) of this section, when territory
29 which lies within a Class III school district or which does not lie
30 within a Class IV or V school district is annexed by a city or village
31 pursuant to section 79-407, the affected school board of the city or

1 village school district and the affected school board or boards serving
2 the territory subject to the annexation ordinance shall meet within
3 thirty days after the effective date of the annexation ordinance ~~if~~
4 ~~neither school district is a member of a learning community~~ and negotiate
5 in good faith as to which school district shall serve the annexed
6 territory and the effective date of any transfer. During the process of
7 negotiation, the affected boards shall consider the following criteria:

8 (a) The educational needs of the students in the affected school
9 districts;

10 (b) The economic impact upon the affected school districts;

11 (c) Any common interests between the annexed or platted area and the
12 affected school districts and the community which has zoning jurisdiction
13 over the area; and

14 (d) Community educational planning.

15 If no agreement has been reached within ninety days after the
16 effective date of the annexation ordinance, the territory shall transfer
17 to the school district of the annexing city or village ten days after the
18 expiration of such ninety-day period unless an affected school district
19 petitions the district court within the ten-day period and obtains an
20 order enjoining the transfer and requiring the boards of the affected
21 school districts to continue negotiation. The court shall issue the order
22 upon a finding that the affected board or boards have not negotiated in
23 good faith based on one or more of the criteria listed in this
24 subsection. The district court shall require no bond or other surety as a
25 condition for any preliminary injunctive relief. If no agreement is
26 reached after such order by the district court and additional
27 negotiations, the annexed territory shall become a part of the school
28 district of the annexing city or village.

29 (3) Whenever an application for approval of a final plat or replat
30 is filed for territory which lies within the zoning jurisdiction of a
31 city of the first or second class and does not lie within the boundaries

1 of a Class IV or V school district, ~~the boundaries of a school district~~
2 ~~that is a member of a learning community,~~ the boundaries of any county in
3 which a city of the metropolitan class is located, or the boundaries of
4 any county that has a contiguous border with a city of the metropolitan
5 class, the affected school board of the school district within the city
6 of the first or second class or its representative and the affected board
7 or boards serving the territory subject to the final plat or replat or
8 their representative shall meet within thirty days after such application
9 and negotiate in good faith as to which school district shall serve the
10 platted or replatted territory and the effective date of any transfer
11 based upon the criteria prescribed in subsection (2) of this section.

12 If no agreement has been reached prior to the approval of the final
13 plat or replat, the territory shall transfer to the school district of
14 the city of the first or second class upon the filing of the final plat
15 unless an affected school district petitions the district court within
16 ten days after approval of the final plat or replat and obtains an order
17 enjoining the transfer and requiring the affected boards to continue
18 negotiation. The court shall issue the order upon a finding that the
19 affected board or boards have not negotiated in good faith based on one
20 or more of the criteria listed in subsection (2) of this section. The
21 district court shall require no bond or other surety as a condition for
22 any preliminary injunctive relief. If no agreement is reached after such
23 order by the district court and additional negotiations, the platted or
24 replatted territory shall become a part of the school district of the
25 city of the first or second class.

26 For purposes of this subsection, plat and replat apply only to (a)
27 vacant land, (b) land under cultivation, or (c) any plat or replat of
28 land involving a substantive change in the size or configuration of any
29 lot or lots.

30 (4) Notwithstanding any other provisions of this section, all
31 negotiated agreements relative to boundaries or to real or personal

1 property of school districts reached by the affected school boards shall
2 be valid and binding, ~~except that such agreements shall not be binding on~~
3 ~~reorganization plans pursuant to the Learning Community Reorganization~~
4 ~~Act.~~

5 Sec. 83. Section 79-527, Reissue Revised Statutes of Nebraska, is
6 amended to read:

7 79-527 (1) The superintendent or head administrator of a public
8 school district or a nonpublic school system shall annually report to the
9 Commissioner of Education in such detail and on such date as required by
10 the commissioner the number of students who have dropped out of school.
11 ~~School districts that are members of learning communities shall also~~
12 ~~provide the learning community coordinating council with a copy of such~~
13 ~~report on or before the date the report is due to the commissioner.~~

14 (2) The superintendent of a public school district shall report on a
15 quarterly basis to the Commissioner of Education as directed by the
16 commissioner regarding individual student information on attendance.

17 Sec. 84. Section 79-528, Revised Statutes Cumulative Supplement,
18 2018, is amended to read:

19 79-528 (1)(a) On or before July 20 in all school districts, the
20 superintendent shall file with the State Department of Education a report
21 showing the number of children from five through eighteen years of age
22 belonging to the school district according to the census taken as
23 provided in sections 79-524 and 79-578.

24 (b) The board of any district neglecting to take and report the
25 enumeration shall be liable to the school district for all school money
26 which such district may lose by such neglect.

27 (2) On or before June 30 the superintendent of each school district
28 shall file with the Commissioner of Education a report described as an
29 end-of-the-school-year annual statistical summary showing (a) the number
30 of children attending school during the year under five years of age, (b)
31 the length of time the school has been taught during the year by a

1 qualified teacher, (c) the length of time taught by each substitute
2 teacher, and (d) such other information as the Commissioner of Education
3 directs.

4 (3) On or before November 1 the superintendent of each school
5 district shall submit to the Commissioner of Education a report described
6 as the annual financial report showing (i) the amount of money received
7 from all sources during the year and the amount of money expended by the
8 school district during the year, (ii) the amount of bonded indebtedness,
9 (iii) such other information as shall be necessary to fulfill the
10 requirements of the Tax Equity and Educational Opportunities Support Act
11 and section 79-1114, and (iv) such other information as the Commissioner
12 of Education directs.

13 (4)(a) On or before October 15 of each year, the superintendent of
14 each school district shall file with the commissioner the fall school
15 district membership report, which report shall include the number of
16 children from birth through twenty years of age enrolled in the district
17 on October 1 of a given school year. The report shall enumerate (i)
18 students by grade level, (ii) school district levies and total assessed
19 valuation for the current fiscal year, (iii) students enrolled in the
20 district as option students, resident students enrolled in another
21 district as option students, students enrolled in the district as open
22 enrollment students, and resident students enrolled in another district
23 as open enrollment students, and (iv) such other information as the
24 Commissioner of Education directs.

25 ~~(b) On or before October 15 of each year prior to 2017, each~~
26 ~~learning community coordinating council shall issue to the department a~~
27 ~~report which enumerates the learning community levies pursuant to~~
28 ~~subdivision (2)(b) of section 77-3442 and total assessed valuation for~~
29 ~~the current fiscal year.~~

30 (b) ~~(c)~~ When any school district fails to submit its fall membership
31 report by November 1, the commissioner shall, after notice to the

1 district and an opportunity to be heard, direct that any state aid
2 granted pursuant to the Tax Equity and Educational Opportunities Support
3 Act be withheld until such time as the report is received by the
4 department. In addition, the commissioner shall direct the county
5 treasurer to withhold all school money belonging to the school district
6 until such time as the commissioner notifies the county treasurer of
7 receipt of such report. The county treasurer shall withhold such money.

8 Sec. 85. Section 79-549, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 79-549 (1) The school board of any Class III school district ~~that is~~
11 ~~a member of a learning community~~ may place before the legal voters of the
12 school district the issue of whether to begin to have a caucus for
13 nominations by adopting a resolution to place the issue before the legal
14 voters and certifying the issue to the election commissioner or county
15 clerk prior to September 1 for placement on the ballot at the next
16 statewide general election. The legal voters of the school district may
17 also have the issue placed on the ballot at the statewide general
18 election by circulating a petition and gathering the signatures of the
19 legal voters residing within the school district at least equal to seven
20 percent of the number of persons registered to vote in the school
21 district at the last statewide primary election. The petitions shall be
22 filed with the election commissioner or county clerk for signature
23 verification on or before August 15 prior to a statewide general
24 election. If the election commissioner or county clerk determines that
25 the appropriate number of legal voters signed the petition, he or she
26 shall place the issue on the ballot for the next statewide general
27 election. The issue shall not be placed on the ballot again within four
28 years after voting on the issue at a statewide general election.

29 (2) Any Class III school district that nominated school board
30 members by caucus pursuant to this section as it existed immediately
31 before July 14, 2006, shall continue such procedure until the legal

1 voters of the district vote not to continue to have a caucus for
2 nominations pursuant to subsection (3) of this section. A caucus shall be
3 held pursuant to subsection (5) of this section not less than seventy
4 days prior to the holding of the election to nominate two or more
5 candidates for each vacancy to be voted upon at the election to be held
6 in conjunction with the statewide primary election pursuant to subsection
7 (1) of section 32-543. No candidate nominated shall have his or her name
8 placed upon the ballot for the general election unless, not more than ten
9 days after his or her nomination, he or she files with the secretary of
10 the school board a written statement accepting the nomination. The
11 secretary of the school board shall certify the names of the candidates
12 to the election commissioner or county clerk who shall prepare the
13 official ballot listing the names as certified and without any area
14 designation. All legal voters residing within the school district shall
15 be permitted to vote at such election.

16 (3) The school board may place before the legal voters of the school
17 district the issue of whether to continue to have a caucus for
18 nominations by adopting a resolution to place the issue before the legal
19 voters and certifying the issue to the election commissioner or county
20 clerk prior to September 1 for placement on the ballot at the next
21 statewide general election. The legal voters of the school district may
22 also have the issue placed on the ballot at the statewide general
23 election by circulating a petition and gathering the signatures of the
24 legal voters residing within the school district at least equal to seven
25 percent of the number of persons registered to vote in the school
26 district at the last statewide primary election. The petitions shall be
27 filed with the election commissioner or county clerk for signature
28 verification on or before August 15 prior to a statewide general
29 election. If the election commissioner or county clerk determines that
30 the appropriate number of legal voters signed the petition, he or she
31 shall place the issue on the ballot for the next statewide general

1 election. The issue shall not be placed on the ballot again within four
2 years after voting on the issue at a statewide general election.

3 (4) If the legal voters vote not to continue to have a caucus, the
4 school board shall determine the number of members to be nominated and
5 elected as provided in subsection (2) of section 32-543. The terms of the
6 members in office at the time of the vote shall be extended to the first
7 Thursday after the first Tuesday in January after the expiration of their
8 terms. At the first general election following the vote, a number of
9 members receiving the greatest number of votes shall be elected for a
10 term of four years and a number of members receiving the next greatest
11 number of votes shall be elected for a term of two years so that
12 approximately one-half of the school board members are elected every two
13 years.

14 (5) A school district which uses a caucus for nominations shall
15 develop rules and procedures for conducting the caucus which will ensure:

16 (a) Publication of the rules and procedures by multiple sources if
17 necessary so that every resident of the school district has access to
18 information on the process for placing a name in nomination and voting at
19 the caucus;

20 (b) Facilities for voting at the caucus which comply with the
21 federal Americans with Disabilities Act of 1990 and which will
22 accommodate a reasonably anticipated number of legal voters;

23 (c) Election security which will provide for a fair and impartial
24 election, including the secrecy of the ballot, one vote per legal voter,
25 and only legal voters of the school district being allowed to vote;

26 (d) Equal access to all legal voters of the school district,
27 including the presence of an interpreter at the caucus at the expense of
28 the school district and ballots for the blind and visually impaired to
29 provide access to the process by all legal voters of the school district;

30 (e) Adequate time and opportunity for legal voters of the school
31 district to exercise their right to vote; and

1 (f) Notification of nomination to the candidates and to the
2 secretary of the school board.

3 The rules and regulations shall be approved by the election
4 commissioner or county clerk prior to use for a caucus.

5 Sec. 86. Section 79-611, Revised Statutes Cumulative Supplement,
6 2018, is amended to read:

7 79-611 (1) The school board of any school district shall provide
8 free transportation, partially provide free transportation, or pay an
9 allowance for transportation in lieu of free transportation as follows:

10 (a) When a student attends an elementary school in his or her own
11 district and lives more than four miles from the public schoolhouse in
12 such district as measured by the shortest route that must actually and
13 necessarily be traveled by motor vehicle to reach the student's
14 residence;

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

20 (c) When a student attends a secondary school in his or her own
21 Class III school district and lives more than four miles from the public
22 schoolhouse as measured by the shortest route that must actually and
23 necessarily be traveled by motor vehicle to reach the student's
24 residence. This subdivision does not apply to any elementary-only school
25 district that merged with a high-school-only school district to form a
26 new Class III school district on or after January 1, 1997, and before
27 June 16, 2006; and

28 (d) When a student, other than a student in grades ten through
29 twelve in a Class V district, attends an elementary or junior high school
30 in his or her own Class V district and lives more than four miles from
31 the public schoolhouse in such district as measured by the shortest route

1 that must actually and necessarily be traveled by motor vehicle to reach
2 the student's residence.

3 ~~(2)(a) For school years prior to school year 2017-18 and as required~~
4 ~~pursuant to subsection (3) of section 79-241, the school board of any~~
5 ~~school district that is a member of a learning community shall provide~~
6 ~~free transportation for a student who resides in such learning community~~
7 ~~and attends school in such school district if (i) the student is~~
8 ~~transferring pursuant to the open enrollment provisions of section~~
9 ~~79-2110, qualifies for free or reduced-price lunches, lives more than one~~
10 ~~mile from the school to which he or she transfers, and is not otherwise~~
11 ~~disqualified under subdivision (2)(c) of this section, (ii) the student~~
12 ~~is transferring pursuant to the open enrollment provisions of section~~
13 ~~79-2110, is a student who contributes to the socioeconomic diversity of~~
14 ~~enrollment at the school building he or she attends, lives more than one~~
15 ~~mile from the school to which he or she transfers, and is not otherwise~~
16 ~~disqualified under subdivision (2)(c) of this section, (iii) the student~~
17 ~~is attending a focus school or program and lives more than one mile from~~
18 ~~the school building housing the focus school or program, or (iv) the~~
19 ~~student is attending a magnet school or program and lives more than one~~
20 ~~mile from the magnet school or the school housing the magnet program.~~

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

26 ~~(c) For any student who resides within a learning community and~~
27 ~~transfers to another school building pursuant to the open enrollment~~
28 ~~provisions of section 79-2110 and who had not been accepted for open~~
29 ~~enrollment into any school building within such district prior to~~
30 ~~September 6, 2013, the school board is exempt from the requirement of~~
31 ~~subdivision (2)(a) of this section if (i) the student is transferring to~~

1 ~~another school building within his or her home school district or (ii)~~
2 ~~the student is transferring to a school building in a school district~~
3 ~~that does not share a common border with his or her home school district.~~

4 (2) ~~(3)~~ The transportation allowance which may be paid to the
5 parent, custodial parent, or guardian of students qualifying for free
6 transportation pursuant to subsection (1) ~~or (2)~~ of this section shall
7 equal two hundred eighty-five percent of the mileage rate provided in
8 section 81-1176, multiplied by each mile actually and necessarily
9 traveled, on each day of attendance, beyond which the one-way distance
10 from the residence of the student to the schoolhouse exceeds three miles.
11 ~~Such transportation allowance does not apply to students residing in a~~
12 ~~learning community who qualify for free or reduced-price lunches.~~

13 (3) ~~(4)~~ Whenever students from more than one family travel to school
14 in the same vehicle, the transportation allowance prescribed in
15 subsection (2) ~~(3)~~ of this section shall be payable as follows:

16 (a) To the parent, custodial parent, or guardian providing
17 transportation for students from other families, one hundred percent of
18 the amount prescribed in subsection (2) ~~(3)~~ of this section for the
19 transportation of students of such parent's, custodial parent's, or
20 guardian's own family and an additional five percent for students of each
21 other family not to exceed a maximum of one hundred twenty-five percent
22 of the amount determined pursuant to subsection (2) ~~(3)~~ of this section;
23 and

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

31 (4) ~~(5)~~ When a student who qualifies under the mileage requirements

1 of subsection (1) of this section lives more than three miles from the
2 location where the student must be picked up and dropped off in order to
3 access school-provided free transportation, as measured by the shortest
4 route that must actually and necessarily be traveled by motor vehicle
5 between his or her residence and such location, such school-provided
6 transportation shall be deemed partially provided free transportation.
7 School districts partially providing free transportation shall pay an
8 allowance to the student's parent or guardian equal to two hundred
9 eighty-five percent of the mileage rate provided in section 81-1176
10 multiplied by each mile actually and necessarily traveled, on each day of
11 attendance, beyond which the one-way distance from the residence of the
12 student to the location where the student must be picked up and dropped
13 off exceeds three miles.

14 ~~(5)~~ (6) The board may authorize school-provided transportation to
15 any student who does not qualify under the mileage requirements of
16 subsection (1) of this section and may charge a fee to the parent or
17 guardian of the student for such service. No transportation payments
18 shall be made to a family for mileage not actually traveled by such
19 family. The number of days the student has attended school shall be
20 reported monthly by the teacher to the board of such public school
21 district.

22 ~~(6)~~ (7) No more than one allowance shall be made to a family
23 irrespective of the number of students in a family being transported to
24 school.

25 ~~(7)~~ (8) No student shall be exempt from school attendance on account
26 of distance from the public schoolhouse.

27 Sec. 87. Section 79-703, Revised Statutes Cumulative Supplement,
28 2018, is amended to read:

29 79-703 (1) To ensure both equality of opportunity and quality of
30 programs offered, all public schools in the state shall be required to
31 meet quality and performance-based approval or accreditation standards as

1 prescribed by the State Board of Education. The board shall establish a
2 core curriculum standard, which shall include multicultural education and
3 vocational education courses, for all public schools in the state.
4 Accreditation and approval standards shall be designed to assure
5 effective schooling and quality of instructional programs regardless of
6 school size, wealth, or geographic location. ~~Accreditation standards for~~
7 ~~school districts that are members of a learning community shall include~~
8 ~~participation in the community achievement plan for the learning~~
9 ~~community as approved by the board.~~ The board shall recognize and
10 encourage the maximum use of cooperative programs and may provide for
11 approval or accreditation of programs on a cooperative basis, including
12 the sharing of administrative and instructional staff, between school
13 districts for the purpose of meeting the approval and accreditation
14 requirements established pursuant to this section and section 79-318.

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

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

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

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

1 Sec. 88. Section 79-760.02, Revised Statutes Cumulative Supplement,
2 2018, is amended to read:

3 79-760.02 In accordance with timelines that are adopted by the State
4 Board of Education, but in no event later than one year following the
5 adoption or modification of state standards, each school district shall
6 adopt measurable quality academic content standards in the subject areas
7 of reading, writing, mathematics, science, and social studies. The
8 standards may be the same as, or may be equal to or exceed in rigor, the
9 measurable academic content standards adopted by the state board and
10 shall cover at least the same grade levels. School districts may work
11 collaboratively with educational service units, ~~with learning~~
12 ~~communities~~, or through interlocal agreements to develop such standards.

13 Sec. 89. Section 79-760.03, Revised Statutes Cumulative Supplement,
14 2018, is amended to read:

15 79-760.03 (1) For school year 2009-10 and each school year
16 thereafter, the State Board of Education shall implement a statewide
17 system for the assessment of student learning and for reporting the
18 performance of school districts ~~and learning communities~~ pursuant to this
19 section. The assessment and reporting system shall measure student
20 knowledge of subject matter materials covered by measurable academic
21 content standards selected by the state board.

22 (2) The state board shall adopt a plan for an assessment and
23 reporting system and implement and maintain the assessment and reporting
24 system according to such plan. The plan shall be submitted annually to
25 the State Department of Education, the Governor, the chairperson of the
26 Education Committee of the Legislature, and the Clerk of the Legislature.
27 The plan submitted to the committee and the Clerk of the Legislature
28 shall be submitted electronically. The state board shall select grade
29 levels for assessment and reporting required pursuant to subsections (4)
30 through (7) of this section. The purposes of the system are to:

31 (a) Determine how well public schools are performing in terms of

1 achievement of public school students related to the state academic
2 content standards;

3 (b) Report the performance of public schools based upon the results
4 of state assessment instruments and national assessment instruments;

5 (c) Provide information for the public and policymakers on the
6 performance of public schools; and

7 (d) Provide for the comparison among Nebraska public schools and the
8 comparison of Nebraska public schools to public schools elsewhere.

9 (3) The Governor shall appoint a technical advisory committee to
10 review (a) the statewide assessment plan, (b) state assessment
11 instruments, and (c) the accountability system developed under the
12 Quality Education Accountability Act. The technical advisory committee
13 shall consist of three nationally recognized experts in educational
14 assessment and measurement, one administrator from a school in Nebraska,
15 and one teacher from a school in Nebraska. The members shall serve terms
16 of three years, except that two of the members shall be appointed for
17 initial terms of two years. Any vacancy shall be filled by the Governor
18 for the remainder of the term. One of the members shall be designated as
19 chairperson by the Governor. Members shall be reimbursed for their actual
20 and necessary expenses as provided in sections 81-1174 to 81-1177. The
21 committee shall advise the Governor, the state board, and the State
22 Department of Education on the development of statewide assessment
23 instruments and the statewide assessment plan. The appointments to the
24 committee shall be confirmed by the Legislature.

25 (4) Through school year 2016-17, the state board shall prescribe a
26 statewide assessment of writing that relies on writing samples in each of
27 three grades selected by the state board. Each year at least one of the
28 three selected grades shall participate in the statewide writing
29 assessment with each selected grade level participating at least once
30 every three years.

31 (5) For school year 2009-10 and for each school year thereafter, the

1 state board shall prescribe a statewide assessment of reading. The
2 statewide assessment of reading shall include assessment instruments for
3 each of the grade levels three through eight and for one grade in high
4 school and standards adopted by the state board pursuant to section
5 79-760.01. For school year 2017-18 and each school year thereafter, the
6 statewide assessment of reading shall include a component of writing as
7 determined by the state board.

8 (6) For no later than school year 2010-11 and for each school year
9 thereafter, the state board shall prescribe a statewide assessment of
10 mathematics. The statewide assessment of mathematics shall include
11 assessment instruments for each of the grade levels three through eight
12 and for one grade in high school and standards adopted by the state board
13 pursuant to section 79-760.01.

14 (7) For no later than school year 2011-12 and each school year
15 thereafter, the state board shall prescribe a statewide assessment of
16 science. The statewide assessment of science shall include assessment
17 instruments for each of the grade levels selected by the state board and
18 standards adopted by the state board pursuant to section 79-760.01. The
19 grade levels shall include at least one grade in elementary school, one
20 grade in middle school or junior high school, and one grade in high
21 school.

22 (8) The department shall conduct studies to verify the technical
23 quality of assessment instruments and demonstrate the comparability of
24 assessment instrument results required by the act. The department shall
25 annually report such findings to the Governor, the Legislature, and the
26 state board. The report submitted to the Legislature shall be submitted
27 electronically.

28 (9) The state board shall recommend national assessment instruments
29 for the purpose of national comparison. Beginning with school year
30 2017-18, the state board shall select a national assessment instrument
31 that is also used as a standard college admission test which shall be

1 administered to students in the eleventh grade in every public high
2 school in each school district. Each school district shall report
3 individual student data for scores and sub-scores according to procedures
4 established by the state board and the department pursuant to section
5 79-760.05.

6 (10) The aggregate results of assessment instruments and national
7 assessment instruments shall be reported by the district on a building
8 basis to the public in that district, ~~to the learning community~~
9 ~~coordinating council if such district is a member of a learning~~
10 ~~community,~~ and to the department. ~~Each learning community shall also~~
11 ~~report the aggregate results of any assessment instruments and national~~
12 ~~assessment instruments to the public in that learning community and to~~
13 ~~the department.~~ The department shall report the aggregate results of any
14 assessment instruments and national assessment instruments on a school
15 ~~learning community,~~ district, and school building basis as part of the
16 statewide assessment and reporting system.

17 (11)(a) The assessment and reporting plan shall:

18 (i) Provide for the confidentiality of the results of individual
19 students; and

20 (ii) Include all public schools and all public school students.

21 (b) The state board shall adopt criteria for the inclusion of
22 students with disabilities, students entering the school for the first
23 time, and students with limited English proficiency.

24 The department may determine appropriate accommodations for the
25 assessment of students with disabilities or any student receiving special
26 education programs and services pursuant to section 79-1139. Alternate
27 academic achievement standards in reading, mathematics, and science and
28 alternate assessment instruments aligned with the standards may be among
29 the accommodations for students with severe cognitive disabilities.

30 (12) The state board may select additional grade levels, subject
31 areas, or assessment instruments for statewide assessment consistent with

1 federal requirements.

2 (13) The state board shall not require school districts to
3 administer assessments or assessment instruments which are not consistent
4 with the act.

5 (14) The state board may appoint committees of teachers, from each
6 appropriate subject area, and administrators to assist in the development
7 of statewide assessment instruments required by the act.

8 Sec. 90. Section 79-760.05, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 79-760.05 (1) The State Board of Education shall implement a
11 statewide system for tracking individual student achievement, using the
12 student identifier system of the State Department of Education, that can
13 be aggregated to track student progress by demographic characteristics,
14 including, but not limited to, race, poverty, high mobility, attendance,
15 and limited English proficiency, on available measures of student
16 achievement which include, but need not be limited to, national
17 assessment instruments, state assessment instruments, and the indicators
18 used in the accountability system required pursuant to section 79-760.06.
19 Such a system shall be designed so as to aggregate student data by
20 available educational input characteristics, which may include class
21 size, teacher education, teacher experience, special education, early
22 childhood programs, federal programs, and other targeted education
23 programs. School districts shall provide the department with individual
24 student achievement data from assessment instruments required pursuant to
25 section 79-760.03 in order to implement the statewide system.

26 (2) The department shall annually analyze and report on student
27 achievement for the state, each school district, and each public school,
28 ~~and each learning community~~ aggregated by the demographic characteristics
29 described in subsection (1) of this section. The department shall report
30 the findings to the Governor, the Legislature, each school district, and
31 each ~~districts,~~ educational service unit ~~units,~~ and each learning

1 ~~community~~. The report submitted to the Legislature shall be submitted
2 electronically. Such analysis shall include aggregated data that would
3 indicate differences in achievement due to available educational input
4 characteristics described in subsection (1) of this section. Such
5 analysis shall include indicators of progress toward state achievement
6 goals for students in poverty, limited English proficient students, and
7 highly mobile students.

8 Sec. 91. Section 79-777, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 79-777 (1) Any school district, with the approval of the State
11 Department of Education, may establish and operate a career academy. The
12 purpose of a career academy is to provide students with a career-based
13 educational curriculum. A school district may partner with another school
14 district, an educational service unit, ~~a learning community~~, a
15 postsecondary educational institution, or a private entity in the
16 establishment and operation of a career academy.

17 (2) A career academy established pursuant to subsection (1) of this
18 section shall:

19 (a) Recruit students who seek a career-based curriculum, which
20 curriculum shall be based on criteria determined by the department;

21 (b) Recruit and hire instructors based on their expertise in career-
22 based education; and

23 (c) Provide a rigorous academic curriculum with a transition
24 component to prepare students for the workforce, including, but not
25 limited to, internships, job training, and skills training.

26 (3) In addition to funding from the establishing school district or
27 any of the district's partners, a career academy may also receive private
28 donations for operating expenses.

29 (4) The department shall define standards and criteria for (a) the
30 establishment, evaluation, and continuing approval of career academies,
31 (b) career-based curriculum utilized by career academies, (c) the

1 necessary data elements and collection of data pertaining to career
2 academies, including, but not limited to, the number of students enrolled
3 in a career academy and their grade levels, and (d) the establishment of
4 advisory boards consisting of business and education representatives to
5 provide guidance and direction for the operation of career academies.

6 (5) The State Board of Education may adopt and promulgate rules and
7 regulations to carry out this section.

8 Sec. 92. Section 79-850, Revised Statutes Cumulative Supplement,
9 2018, is amended to read:

10 79-850 For purposes of sections 79-850 to 79-858:

11 (1) Reorganized school district means: (a) Any expanded or altered
12 school district, organized or altered by any of the means provided by
13 Nebraska law including, but not limited to, the methods provided by the
14 Reorganization of School Districts Act, ~~the Learning Community~~
15 ~~Reorganization Act~~, or section 79-407, 79-413, 79-415, or 79-473; or (b)
16 any school district to be formed in the future if the petition or plan
17 for such reorganized school district has been approved pursuant to any of
18 the methods set forth in subdivision (1)(a) of this section when the
19 effective date of such reorganization is prospective. For purposes of
20 this subdivision, a petition or plan shall be deemed approved when the
21 last legal action has been taken, as prescribed in section 79-413 or
22 79-450, necessary to effect the changes in boundaries as set forth in the
23 petition or plan; and

24 (2) Unified system means a unified system as defined in section
25 79-4,108 recognized by the State Department of Education pursuant to
26 subsection (3) of such section, which employs certificated staff.

27 Sec. 93. Section 79-979, Revised Statutes Cumulative Supplement,
28 2018, is amended to read:

29 79-979 (1) Prior to September 13, 1997, in each Class V school
30 district in the State of Nebraska there is hereby established a separate
31 retirement system for all regular employees of such school district. Such

1 system shall be for the purpose of providing retirement benefits for all
2 regular employees of the school district as provided in the Class V
3 School Employees Retirement Act. The system shall be known as School
4 Employees' Retirement System of (corporate name of the school district as
5 described in section 79-405). All of its business shall be transacted,
6 all of its funds shall be invested, and all of its cash and securities
7 and other property shall be held in trust on behalf of the retirement
8 system for the purposes set forth in the act. Such funds shall be kept
9 separate from all other funds of the school district and shall be used
10 for no other purpose.

11 ~~(2) If Except as provided in subsection (3) of this section, if any~~
12 new Class V school districts are formed after September 13, 1997, such
13 new Class V school district shall elect to become or remain a part of the
14 retirement system established pursuant to the School Employees Retirement
15 Act.

16 ~~(3) Any new Class V school districts formed pursuant to the Learning~~
17 ~~Community Reorganization Act shall continue to participate in the~~
18 ~~retirement system established pursuant to the Class V School Employees~~
19 ~~Retirement Act if such new Class V school district was formed at least in~~
20 ~~part by territory that had been in a Class V school district that~~
21 ~~participated in the retirement system established pursuant to the Class V~~
22 ~~School Employees Retirement Act.~~

23 Sec. 94. Section 79-1003, Revised Statutes Cumulative Supplement,
24 2018, is amended to read:

25 79-1003 For purposes of the Tax Equity and Educational Opportunities
26 Support Act:

27 (1) Adjusted general fund operating expenditures means (a) ~~for~~
28 ~~school fiscal years 2013-14 through 2015-16, the difference of the~~
29 ~~general fund operating expenditures as calculated pursuant to subdivision~~
30 ~~(23) of this section increased by the cost growth factor calculated~~
31 ~~pursuant to section 79-1007.10, minus the transportation allowance,~~

1 ~~special receipts allowance, poverty allowance, limited English~~
2 ~~proficiency allowance, distance education and telecommunications~~
3 ~~allowance, elementary site allowance, summer school allowance,~~
4 ~~instructional time allowance, teacher education allowance, and focus~~
5 ~~school and program allowance, (b) for school fiscal years 2016-17 through~~
6 ~~2018-19, the difference of the general fund operating expenditures as~~
7 ~~calculated pursuant to subdivision (23) of this section increased by the~~
8 ~~cost growth factor calculated pursuant to section 79-1007.10, minus the~~
9 ~~transportation allowance, special receipts allowance, poverty allowance,~~
10 ~~limited English proficiency allowance, distance education and~~
11 ~~telecommunications allowance, elementary site allowance, summer school~~
12 ~~allowance, and focus school and program allowance, (b) and (c) for school~~
13 ~~fiscal years 2019-20, 2020-21, and 2021-22 year 2019-20 and each school~~
14 ~~fiscal year thereafter, the difference of the general fund operating~~
15 ~~expenditures as calculated pursuant to subdivision (23) of this section~~
16 ~~increased by the cost growth factor calculated pursuant to section~~
17 ~~79-1007.10, minus the transportation allowance, special receipts~~
18 ~~allowance, poverty allowance, limited English proficiency allowance,~~
19 ~~distance education and telecommunications allowance, elementary site~~
20 ~~allowance, summer school allowance, community achievement plan allowance,~~
21 ~~and focus school and program allowance, and (c) for school fiscal year~~
22 2022-23 and each school fiscal year thereafter, the difference of the
23 general fund operating expenditures as calculated pursuant to subdivision
24 (23) of this section increased by the cost growth factor calculated
25 pursuant to section 79-1007.10, minus the transportation allowance,
26 special receipts allowance, poverty allowance, limited English
27 proficiency allowance, distance education and telecommunications
28 allowance, elementary site allowance, and summer school allowance;

29 (2) Adjusted valuation means the assessed valuation of taxable
30 property of each local system in the state, adjusted pursuant to the
31 adjustment factors described in section 79-1016. Adjusted valuation means

1 the adjusted valuation for the property tax year ending during the school
2 fiscal year immediately preceding the school fiscal year in which the aid
3 based upon that value is to be paid. For purposes of determining the
4 local effort rate yield pursuant to section 79-1015.01, adjusted
5 valuation does not include the value of any property which a court, by a
6 final judgment from which no appeal is taken, has declared to be
7 nontaxable or exempt from taxation;

8 (3) Allocated income tax funds means the amount of assistance paid
9 to a local system pursuant to section 79-1005.01 ~~as adjusted, for school~~
10 ~~fiscal years prior to school fiscal year 2017-18, by the minimum levy~~
11 ~~adjustment pursuant to section 79-1008.02;~~

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

17 (5) Base fiscal year means the first school fiscal year following
18 the school fiscal year in which the reorganization or unification
19 occurred;

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

21 (7) Categorical funds means funds limited to a specific purpose by
22 federal or state law, including, but not limited to, Title I funds, Title
23 VI funds, federal vocational education funds, federal school lunch funds,
24 Indian education funds, Head Start funds, and funds from the Education
25 Innovation Fund;

26 (8) Consolidate means to voluntarily reduce the number of school
27 districts providing education to a grade group and does not include
28 dissolution pursuant to section 79-498;

29 (9) Converted contract means an expired contract that was in effect
30 for at least fifteen school years beginning prior to school year 2012-13
31 for the education of students in a nonresident district in exchange for

1 tuition from the resident district when the expiration of such contract
2 results in the nonresident district educating students, who would have
3 been covered by the contract if the contract were still in effect, as
4 option students pursuant to the enrollment option program established in
5 section 79-234;

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

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

13 (12) District means any school district or unified system as defined
14 in section 79-4,108;

15 (13) Ensuing school fiscal year means the school fiscal year
16 following the current school fiscal year;

17 (14) Equalization aid means the amount of assistance calculated to
18 be paid to a local system pursuant to section ~~sections 79-1007.11 to~~
19 ~~79-1007.23, 79-1007.25, 79-1008.01 to 79-1022, and 79-1022.02;~~

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

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

26 (17) Formula students means:

27 (a) For state aid certified pursuant to section 79-1022, the sum of
28 the product of fall membership from the school fiscal year immediately
29 preceding the school fiscal year in which the aid is to be paid
30 multiplied by the average ratio of average daily membership to fall
31 membership for the second school fiscal year immediately preceding the

1 school fiscal year in which the aid is to be paid and the prior two
2 school fiscal years plus sixty percent of the qualified early childhood
3 education fall membership plus tuitioned students from the school fiscal
4 year immediately preceding the school fiscal year in which aid is to be
5 paid minus the product of the number of students enrolled in kindergarten
6 that is not full-day kindergarten from the fall membership multiplied by
7 0.5; and

8 (b) For the final calculation of state aid pursuant to section
9 79-1065, the sum of average daily membership plus sixty percent of the
10 qualified early childhood education average daily membership plus
11 tuitioned students minus the product of the number of students enrolled
12 in kindergarten that is not full-day kindergarten from the average daily
13 membership multiplied by 0.5 from the school fiscal year immediately
14 preceding the school fiscal year in which aid was paid;

15 (18) Free lunch and free milk calculated students means, using the
16 most recent data available on November 1 of the school fiscal year
17 immediately preceding the school fiscal year in which aid is to be paid,

18 (a) for schools that did not provide free meals to all students pursuant
19 to the community eligibility provision, students who individually
20 qualified for free lunches or free milk pursuant to the federal Richard
21 B. Russell National School Lunch Act, 42 U.S.C. 1751 et seq., and the
22 federal Child Nutrition Act of 1966, 42 U.S.C. 1771 et seq., as such acts
23 and sections existed on January 1, 2015, and rules and regulations
24 adopted thereunder, plus (b) for schools that provided free meals to all
25 students pursuant to the community eligibility provision, (i) for school
26 fiscal year 2016-17, the product of the students who attended such school
27 multiplied by the identified student percentage calculated pursuant to
28 such federal provision or (ii) for school fiscal year 2017-18 and each
29 school fiscal year thereafter, the greater of the number of students in
30 such school who individually qualified for free lunch or free milk using
31 the most recent school fiscal year for which the school did not provide

1 free meals to all students pursuant to the community eligibility
2 provision or one hundred ten percent of the product of the students who
3 qualified for free meals at such school pursuant to the community
4 eligibility provision multiplied by the identified student percentage
5 calculated pursuant to such federal provision, except that the free lunch
6 and free milk students calculated for any school pursuant to subdivision
7 (18)(b)(ii) of this section shall not exceed one hundred percent of the
8 students qualified for free meals at such school pursuant to the
9 community eligibility provision;

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

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

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

23 (22) General fund expenditures means all expenditures from the
24 general fund;

25 (23) General fund operating expenditures means for state aid
26 calculated for school fiscal years 2012-13 and each school fiscal year
27 thereafter, as reported on the annual financial report for the second
28 school fiscal year immediately preceding the school fiscal year in which
29 aid is to be paid, the total general fund expenditures minus (a) the
30 amount of all receipts to the general fund, to the extent that such
31 receipts are not included in local system formula resources, from early

1 childhood education tuition, summer school tuition, educational entities
2 as defined in section 79-1201.01 for providing distance education courses
3 through the Educational Service Unit Coordinating Council to such
4 educational entities, private foundations, individuals, associations,
5 charitable organizations, the textbook loan program authorized by section
6 79-734, federal impact aid, and levy override elections pursuant to
7 section 77-3444, (b) the amount of expenditures for categorical funds,
8 tuition paid, transportation fees paid to other districts, adult
9 education, community services, redemption of the principal portion of
10 general fund debt service, retirement incentive plans authorized by
11 section 79-855, and staff development assistance authorized by section
12 79-856, (c) the amount of any transfers from the general fund to any bond
13 fund and transfers from other funds into the general fund, (d) any legal
14 expenses in excess of fifteen-hundredths of one percent of the formula
15 need for the school fiscal year in which the expenses occurred, (e)(i)
16 for state aid calculated for school fiscal years prior to school fiscal
17 year 2018-19, expenditures to pay for sums agreed to be paid by a school
18 district to certificated employees in exchange for a voluntary
19 termination occurring prior to July 1, 2009, occurring on or after the
20 last day of the 2010-11 school year and prior to the first day of the
21 2013-14 school year, or, to the extent that a district has demonstrated
22 to the State Board of Education pursuant to section 79-1028.01 that the
23 agreement will result in a net savings in salary and benefit costs to the
24 school district over a five-year period, occurring on or after the first
25 day of the 2013-14 school year or (ii) for state aid calculated for
26 school fiscal year 2018-19 and each school fiscal year thereafter,
27 expenditures to pay for incentives agreed to be paid by a school district
28 to certificated employees in exchange for a voluntary termination of
29 employment for which the State Board of Education approved an exclusion
30 pursuant to subdivision (1)(h), (i), (j), or (k) of section 79-1028.01,
31 (f)(i) expenditures to pay for employer contributions pursuant to

1 subsection (2) of section 79-958 to the School Employees Retirement
2 System of the State of Nebraska to the extent that such expenditures
3 exceed the employer contributions under such subsection that would have
4 been made at a contribution rate of seven and thirty-five hundredths
5 percent or (ii) expenditures to pay for school district contributions
6 pursuant to subdivision (1)(c)(i) or (1)(d)(i) of section 79-9,113 to the
7 retirement system established pursuant to the Class V School Employees
8 Retirement Act to the extent that such expenditures exceed the school
9 district contributions under such subdivision that would have been made
10 at a contribution rate of seven and thirty-seven hundredths percent, and
11 (g) any amounts paid by the district for lobbyist fees and expenses
12 reported to the Clerk of the Legislature pursuant to section 49-1483.

13 For purposes of this subdivision (23) of this section, receipts from
14 levy override elections shall equal ninety-nine percent of the difference
15 of the total general fund levy minus a levy of one dollar and five cents
16 per one hundred dollars of taxable valuation multiplied by the assessed
17 valuation for school districts that have voted pursuant to section
18 77-3444 to override the maximum levy provided pursuant to section
19 77-3442;

20 (24) Income tax liability means the amount of the reported income
21 tax liability for resident individuals pursuant to the Nebraska Revenue
22 Act of 1967 less all nonrefundable credits earned and refunds made;

23 (25) Income tax receipts means the amount of income tax collected
24 pursuant to the Nebraska Revenue Act of 1967 less all nonrefundable
25 credits earned and refunds made;

26 (26) Limited English proficiency students means the number of
27 students with limited English proficiency in a district from the most
28 recent data available on November 1 of the school fiscal year preceding
29 the school fiscal year in which aid is to be paid plus the difference of
30 such students with limited English proficiency minus the average number
31 of limited English proficiency students for such district, prior to such

1 addition, for the three immediately preceding school fiscal years if such
2 difference is greater than zero;

3 (27) Local system means a unified system or a school district;

4 (28) Low-income child means (a) for school fiscal years prior to
5 2016-17, a child under nineteen years of age living in a household having
6 an annual adjusted gross income for the second calendar year preceding
7 the beginning of the school fiscal year for which aid is being calculated
8 equal to or less than the maximum household income that would allow a
9 student from a family of four people to be a free lunch and free milk
10 student during the school fiscal year immediately preceding the school
11 fiscal year for which aid is being calculated and (b) for school fiscal
12 year 2016-17 and each school fiscal year thereafter, a child under
13 nineteen years of age living in a household having an annual adjusted
14 gross income for the second calendar year preceding the beginning of the
15 school fiscal year for which aid is being calculated equal to or less
16 than the maximum household income pursuant to sections 9(b)(1) and 17(c)
17 (4) of the Richard B. Russell National School Lunch Act, 42 U.S.C.
18 1758(b)(1) and 42 U.S.C. 1766(c)(4), respectively, and sections 3(a)(6)
19 and 4(e)(1)(A) of the Child Nutrition Act of 1966, 42 U.S.C. 1772(a)(6)
20 and 42 U.S.C. 1773(e)(1)(A), respectively, as such acts and sections
21 existed on January 1, 2015, for a household of that size that would have
22 allowed the child to meet the income qualifications for free meals during
23 the school fiscal year immediately preceding the school fiscal year for
24 which aid is being calculated;

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

29 (30) Most recently available complete data year means the most
30 recent single school fiscal year for which the annual financial report,
31 fall school district membership report, annual statistical summary,

1 Nebraska income tax liability by school district for the calendar year in
2 which the majority of the school fiscal year falls, and adjusted
3 valuation data are available;

4 (31) Poverty students means (a) for school fiscal years prior to
5 2016-17, the number of low-income students or the number of students who
6 are free lunch and free milk students in a district plus the difference
7 of the number of low-income students or the number of students who are
8 free lunch and free milk students in a district, whichever is greater,
9 minus the average number of poverty students for such district, prior to
10 such addition, for the three immediately preceding school fiscal years if
11 such difference is greater than zero and (b) for school fiscal year
12 2016-17 and each school fiscal year thereafter, the unadjusted poverty
13 students plus the difference of such unadjusted poverty students minus
14 the average number of poverty students for such district, prior to such
15 addition, for the three immediately preceding school fiscal years if such
16 difference is greater than zero;

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

31 (33) Qualified early childhood education fall membership means the

1 product of membership on October 1 of each school year of students who
2 will be eligible to attend kindergarten the following school year and are
3 enrolled in an early childhood education program approved by the
4 department pursuant to section 79-1103 for such school district for such
5 school year multiplied by the ratio of the planned instructional hours of
6 the program divided by one thousand thirty-two if: (a) The program is
7 receiving a grant pursuant to such section for the third year; (b) the
8 program has already received grants pursuant to such section for three
9 years; or (c) the program has been approved pursuant to subsection (5) of
10 section 79-1103 for such school year and the two preceding school years,
11 including any such students in portions of any of such programs receiving
12 an expansion grant;

13 (34) Regular route transportation means the transportation of
14 students on regularly scheduled daily routes to and from the attendance
15 center;

16 (35) Reorganized district means any district involved in a
17 consolidation and currently educating students following consolidation;

18 (36) School year or school fiscal year means the fiscal year of a
19 school district as defined in section 79-1091;

20 (37) Sparse local system means a local system that is not a very
21 sparse local system but which meets the following criteria:

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

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

31 (c)(i) Less than one and one-half formula students per square mile

1 in the local system and (ii) more than two hundred seventy-five square
2 miles in the local system; or

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

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

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

17 (40) State aid means the amount of assistance paid to a district
18 pursuant to the Tax Equity and Educational Opportunities Support Act;

19 (41) State board means the State Board of Education;

20 (42) State support means all funds provided to districts by the
21 State of Nebraska for the general fund support of elementary and
22 secondary education;

23 (43) Statewide average basic funding per formula student means the
24 statewide total basic funding for all districts divided by the statewide
25 total formula students for all districts;

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

30 (45) Teacher has the definition found in section 79-101;

31 ~~(46) Temporary aid adjustment factor means (a) for school fiscal~~

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

11 ~~(46)~~ (47) Tuition receipts from converted contracts means tuition
12 receipts received by a district from another district in the most
13 recently available complete data year pursuant to a converted contract
14 prior to the expiration of the contract;

15 ~~(47)~~ (48) Tuitioned students means students in kindergarten through
16 grade twelve of the district whose tuition is paid by the district to
17 some other district or education agency;

18 ~~(48)~~ (49) Unadjusted poverty students means, for school fiscal year
19 2016-17 and each school fiscal year thereafter, the greater of the number
20 of low-income students or the free lunch and free milk calculated
21 students in a district; and

22 ~~(49)~~ (50) Very sparse local system means a local system that has:

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

29 (b)(i) More than four hundred fifty square miles in the local
30 system, (ii) less than one-half student per square mile in the local
31 system, and (iii) more than fifteen miles between each high school

1 attendance center and the next closest high school attendance center on
2 paved roads.

3 Sec. 95. Section 79-1005, Revised Statutes Cumulative Supplement,
4 2018, is amended to read:

5 79-1005 (1) For school fiscal years 2017-18 through 2019-20 year
6 ~~2017-18 and each school fiscal year thereafter~~, the department shall
7 determine the community achievement plan aid to be paid to each school
8 district that will participate in a community achievement plan approved
9 by the State Board of Education ~~pursuant to section 79-2122~~ for such
10 school fiscal year. For the first two school fiscal years a school
11 district will participate in such plan, a new community achievement plan
12 adjustment equal to the community achievement aid shall be included in
13 the calculation of formula need for such school district. For all other
14 school fiscal years through fiscal year 2019-20, a community achievement
15 plan allowance equal to the community achievement aid shall be included
16 in the calculation of formula need for school districts qualifying for
17 community achievement plan aid. Community achievement plan aid shall be
18 included as a formula resource pursuant to section 79-1017.01.

19 (2) For school fiscal years 2017-18 through 2019-20, community
20 ~~Community~~ achievement plan aid shall equal 0.4643 percent of the product
21 of the statewide average general fund operating expenditures per formula
22 student multiplied by the total formula students for all of the member
23 school districts in such learning community. The community achievement
24 plan aid for each learning community shall be divided proportionally
25 among the member school districts based on the sum of two percent of the
26 poverty allowance calculated pursuant to section 79-1007.06, two percent
27 of the limited English proficiency allowance calculated pursuant to
28 section 79-1007.08, and, for school districts with poverty students
29 greater than forty percent of the formula students, except as otherwise
30 provided in this section, three percent of the product of the statewide
31 average general fund operating expenditures per formula student

1 multiplied by the difference of the poverty students minus forty percent
2 of the formula students for such school district.

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

18 (4) For school fiscal year 2020-21, the community achievement plan
19 allowance shall equal the amount of community achievement plan aid
20 received for school fiscal year 2018-19 for purposes of calculating the
21 adjusted general fund operating expenditures for each school district
22 that received community achievement plan aid for such school fiscal year.
23 Any community achievement plan allowance determined pursuant to this
24 subsection shall not otherwise be included in the calculation of formula
25 need.

26 (5) For school fiscal year 2021-22, the community achievement plan
27 allowance shall equal the amount of community achievement plan aid
28 received for school fiscal year 2019-20 for purposes of calculating the
29 adjusted general fund operating expenditures for each school district
30 that received community achievement plan aid for such school fiscal year.
31 Any community achievement plan allowance determined pursuant to this

1 subsection shall not otherwise be included in the calculation of formula
2 need.

3 (6) This section shall terminate on July 1, 2023.

4 Sec. 96. Section 79-1005.01, Revised Statutes Cumulative Supplement,
5 2018, is amended to read:

6 79-1005.01 (1) Not later than November 15 of each year, the Tax
7 Commissioner shall certify to the department for the preceding tax year
8 the income tax liability of resident individuals for each local system.

9 (2) For school fiscal years prior to 2017-18, one hundred two
10 million two hundred eighty-nine thousand eight hundred seventeen dollars
11 which is equal to the amount appropriated to the School District Income
12 Tax Fund for distribution in school fiscal year 1992-93 shall be
13 disbursed as option payments as determined under section 79-1009 and as
14 allocated income tax funds as determined in this section and sections
15 79-1008.01, 79-1015.01, 79-1017.01, and 79-1018.01, ~~except as provided in~~
16 ~~section 79-1008.02 for school fiscal years prior to school fiscal year~~
17 ~~2017-18. For school fiscal years prior to school fiscal year 2017-18,~~
18 ~~funds not distributed as allocated income tax funds due to minimum levy~~
19 ~~adjustments shall not increase the amount available to local systems for~~
20 ~~distribution as allocated income tax funds.~~

21 (3) Using the data certified by the Tax Commissioner pursuant to
22 subsection (1) of this section, the department shall calculate the
23 allocation percentage and each local system's allocated income tax funds.
24 The allocation percentage shall be the amount stated in subsection (2) of
25 this section minus the total amount paid for option students pursuant to
26 section 79-1009, with the difference divided by the aggregate statewide
27 income tax liability of all resident individuals certified pursuant to
28 subsection (1) of this section. Each local system's allocated income tax
29 funds shall be calculated by multiplying the allocation percentage times
30 the local system's income tax liability certified pursuant to subsection
31 (1) of this section.

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

6 Sec. 97. Section 79-1007.05, Reissue Revised Statutes of Nebraska,
7 is amended to read:

8 79-1007.05 (1) For school fiscal years through school fiscal year
9 2019-20 ~~year 2008-09 and each school fiscal year thereafter,~~ the
10 department shall determine the focus school and program allowance for
11 each school district in a learning community which submits the
12 information required for the calculation on a form prescribed by the
13 department on or before October 15 of the school fiscal year preceding
14 the school fiscal year for which aid is being calculated. Such form may
15 require confirmation from a learning community official that the focus
16 school or program has been approved by the learning community
17 coordinating council for the school fiscal year for which the allowance
18 is being calculated. The focus school and program allowance for each
19 school district in a learning community shall equal the sum of the
20 allowances calculated pursuant to this section for each focus school and
21 focus program operated by the school district for the school fiscal year
22 for which aid is being calculated.

23 For the school fiscal year containing the majority of the first
24 school year that a school or program will be in operation as a focus
25 school or program approved by the learning community ~~and meeting the~~
26 ~~requirements of section 79-769,~~ the focus school and program allowance
27 for such focus school or program shall equal the statewide average
28 general fund operating expenditures per formula student multiplied by
29 0.10 then multiplied by the estimated number of students who will be
30 participating in the focus school or program as reported on the form
31 required pursuant to this section.

1 For the school fiscal year containing the majority of the second
2 school year that a school or program will be in operation as a focus
3 school or program approved by the learning community ~~and meeting the~~
4 ~~requirements of section 79-769~~, the focus school and program allowance
5 for such focus school or program shall equal the statewide average
6 general fund operating expenditures per formula student multiplied by
7 0.10 then multiplied by (a) ~~(1)~~ for state aid certified pursuant to
8 section 79-1022, the difference of the product of two multiplied by the
9 number of students participating in the focus school or program as
10 reported on the fall membership report from the school fiscal year
11 immediately preceding the school fiscal year in which the aid is to be
12 paid minus the estimated number of students used in the certification of
13 state aid pursuant to section 79-1022 for the school fiscal year
14 immediately preceding the school fiscal year in which the aid is to be
15 paid and (b) ~~(2)~~ for the final calculation of state aid pursuant to
16 section 79-1065, the difference of the product of two multiplied by the
17 number of students participating in the focus school or program as
18 reported on the annual statistical summary report from the school fiscal
19 year immediately preceding the school fiscal year in which the aid was
20 paid minus the estimated number of students used in the final calculation
21 of state aid pursuant to section 79-1065 for the school fiscal year
22 immediately preceding the school fiscal year in which the aid is to be
23 paid.

24 For the school fiscal year containing the majority of the third
25 school year that a school or program will be in operation as a focus
26 school or program approved by the learning community ~~and meeting the~~
27 ~~requirements of section 79-769~~ and each school fiscal year thereafter,
28 the focus school and program allowance for such focus school or program
29 shall equal the statewide average general fund operating expenditures per
30 formula student multiplied by 0.10 then multiplied by the number of
31 students participating in the focus school or program as reported on the

1 fall membership report from the school fiscal year immediately preceding
2 the school fiscal year in which the aid is to be paid for state aid
3 certified pursuant to section 79-1022 and as reported on the annual
4 statistical summary report from the school fiscal year immediately
5 preceding the school fiscal year in which the aid was paid for the final
6 calculation of state aid pursuant to section 79-1065.

7 (2) For school fiscal year 2020-21, the focus school and program
8 allowance shall equal the focus school and program allowance for school
9 fiscal year 2018-19 for purposes of calculating the adjusted general fund
10 operating expenditures for each school district that received a focus
11 school and program allowance for such school fiscal year. Any focus
12 school and program allowance determined pursuant to this subsection shall
13 not otherwise be included in the calculation of formula need.

14 (3) For school fiscal year 2021-22, the focus school and program
15 allowance shall equal the focus school and program allowance for school
16 fiscal year 2019-20 for purposes of calculating the adjusted general fund
17 operating expenditures for each school district that received a focus
18 school and program allowance for such school fiscal year. Any focus
19 school and program allowance determined pursuant to this subsection shall
20 not otherwise be included in the calculation of formula need.

21 (4) This section shall terminate on July 1, 2023.

22 Sec. 98. Section 79-1007.11, Revised Statutes Cumulative Supplement,
23 2018, is amended to read:

24 ~~79-1007.11 (1) Except as otherwise provided in this section, for~~
25 ~~school fiscal years 2013-14 through 2015-16, each school district's~~
26 ~~formula need shall equal the difference of the sum of the school~~
27 ~~district's basic funding, poverty allowance, limited English proficiency~~
28 ~~allowance, focus school and program allowance, summer school allowance,~~
29 ~~special receipts allowance, transportation allowance, elementary site~~
30 ~~allowance, instructional time allowance, teacher education allowance,~~
31 ~~distance education and telecommunications allowance, averaging~~

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

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

18 ~~(1) (3)~~ Except as otherwise provided in this section, for school
19 fiscal years 2017-18 and 2018-19, each school district's formula need
20 shall equal the difference of the sum of the school district's basic
21 funding, poverty allowance, poverty allowance adjustment, limited English
22 proficiency allowance, focus school and program allowance, summer school
23 allowance, special receipts allowance, transportation allowance,
24 elementary site allowance, distance education and telecommunications
25 allowance, averaging adjustment, new community achievement plan
26 adjustment, student growth adjustment, any positive student growth
27 adjustment correction, and new school adjustment minus the sum of the
28 limited English proficiency allowance correction, poverty allowance
29 correction, and any negative student growth adjustment correction.

30 ~~(2) (4)~~ Except as otherwise provided in this section, for school
31 fiscal year 2019-20 and each school fiscal year thereafter, each school

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

12 (3) Except as otherwise provided in this section, for school fiscal
13 year 2020-21 and each school fiscal year thereafter, the formula need for
14 each school district shall equal the difference of the sum of the basic
15 funding, poverty allowance, limited English proficiency allowance, summer
16 school allowance, special receipts allowance, transportation allowance,
17 elementary site allowance, distance education and telecommunications
18 allowance, averaging adjustment, new community achievement plan
19 adjustment, student growth adjustment, any positive student growth
20 adjustment correction, and new school adjustment minus the sum of the
21 limited English proficiency allowance correction, poverty allowance
22 correction, and any negative student growth adjustment correction for
23 such school district.

24 (4) (5) If the formula need calculated for a school district
25 pursuant to subsections (1) through (3) (4) of this section is less than
26 one hundred percent of the formula need for such district for the school
27 fiscal year immediately preceding the school fiscal year for which aid is
28 being calculated, the formula need for such district shall equal one
29 hundred percent of the formula need for such district for the school
30 fiscal year immediately preceding the school fiscal year for which aid is
31 being calculated.

1 (5) ~~(6)~~ If the formula need calculated for a school district
2 pursuant to subsections (1) through (3) ~~(4)~~ of this section is more than
3 one hundred twelve percent of the formula need for such district for the
4 school fiscal year immediately preceding the school fiscal year for which
5 aid is being calculated, the formula need for such district shall equal
6 one hundred twelve percent of the formula need for such district for the
7 school fiscal year immediately preceding the school fiscal year for which
8 aid is being calculated, except that the formula need shall not be
9 reduced pursuant to this subsection for any district receiving a student
10 growth adjustment for the school fiscal year for which aid is being
11 calculated.

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

25 Sec. 99. Section 79-1007.18, Revised Statutes Cumulative Supplement,
26 2018, is amended to read:

27 79-1007.18 ~~(1) For school fiscal years prior to school fiscal year~~
28 ~~2017-18:~~

29 ~~(a) The department shall calculate an averaging adjustment for~~
30 ~~districts if the basic funding per formula student is less than the~~
31 ~~averaging adjustment threshold and the general fund levy for the school~~

1 ~~fiscal year immediately preceding the school fiscal year for which aid is~~
2 ~~being calculated was at least one dollar per one hundred dollars of~~
3 ~~taxable valuation. For the calculation of aid for school fiscal years~~
4 ~~prior to school fiscal year 2018-19, the general fund levy for school~~
5 ~~districts that are members of a learning community for purposes of this~~
6 ~~section includes both the common general fund levy and the school~~
7 ~~district general fund levy authorized pursuant to subdivisions (2)(b) and~~
8 ~~(2)(c) of section 77-3442. The averaging adjustment shall equal the~~
9 ~~district's formula students multiplied by the percentage specified in~~
10 ~~this subsection for such district of the difference between the averaging~~
11 ~~adjustment threshold minus such district's basic funding per formula~~
12 ~~student;~~

13 ~~(b) The averaging adjustment threshold shall equal the aggregate~~
14 ~~basic funding for all districts with nine hundred or more formula~~
15 ~~students divided by the aggregate formula students for all districts with~~
16 ~~nine hundred or more formula students for the school fiscal year for~~
17 ~~which aid is being calculated; and~~

18 ~~(c) The percentage to be used in the calculation of an averaging~~
19 ~~adjustment shall be based on the general fund levy for the school fiscal~~
20 ~~year immediately preceding the school fiscal year for which aid is being~~
21 ~~calculated and shall be as follows:~~

22 ~~(i) If such levy was at least one dollar per one hundred dollars of~~
23 ~~taxable valuation but less than one dollar and one cent per one hundred~~
24 ~~dollars of taxable valuation, the percentage shall be fifty percent;~~

25 ~~(ii) If such levy was at least one dollar and one cent per one~~
26 ~~hundred dollars of taxable valuation but less than one dollar and two~~
27 ~~cents per one hundred dollars of taxable valuation, the percentage shall~~
28 ~~be sixty percent;~~

29 ~~(iii) If such levy was at least one dollar and two cents per one~~
30 ~~hundred dollars of taxable valuation but less than one dollar and three~~
31 ~~cents per one hundred dollars of taxable valuation, the percentage shall~~

1 ~~be seventy percent;~~

2 ~~(iv) If such levy was at least one dollar and three cents per one~~
3 ~~hundred dollars of taxable valuation but less than one dollar and four~~
4 ~~cents per one hundred dollars of taxable valuation, the percentage shall~~
5 ~~be eighty percent; and~~

6 ~~(v) If such levy was at least one dollar and four cents per one~~
7 ~~hundred dollars of taxable valuation, the percentage shall be ninety~~
8 ~~percent.~~

9 ~~(2) For school fiscal year 2017-18 and each school fiscal year~~
10 ~~thereafter, the department shall calculate an averaging adjustment for~~
11 ~~districts with at least nine hundred formula students if the basic~~
12 ~~funding per formula student is less than the averaging adjustment~~
13 ~~threshold. The averaging adjustment shall equal the district's formula~~
14 ~~students multiplied by ninety percent of the difference of the averaging~~
15 ~~adjustment threshold minus such district's basic funding per formula~~
16 ~~student. The averaging adjustment threshold shall equal the aggregate~~
17 ~~basic funding for all districts with nine hundred or more formula~~
18 ~~students divided by the aggregate formula students for all districts with~~
19 ~~nine hundred or more formula students for the school fiscal year for~~
20 ~~which aid is being calculated.~~

21 Sec. 100. Section 79-1008.01, Revised Statutes Cumulative
22 Supplement, 2018, is amended to read:

23 79-1008.01 Except as provided in ~~section 79-1008.02 for school~~
24 ~~fiscal years prior to school fiscal year 2017-18 and section 79-1009,~~
25 each local system shall receive equalization aid in the amount that the
26 total formula need of each local system, as determined pursuant to
27 sections 79-1007.06 to 79-1007.21 ~~79-1007.04 to 79-1007.23~~ and
28 ~~79-1007.25~~, exceeds its total formula resources as determined pursuant to
29 sections 79-1015.01 to 79-1018.01.

30 Sec. 101. Section 79-1009, Revised Statutes Cumulative Supplement,
31 2018, is amended to read:

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

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

25 (c) Except as otherwise provided in this subsection, net number of
26 option students means the difference of the number of option students
27 enrolled in the district minus the number of students residing in the
28 district but enrolled in another district as option students. ~~For~~
29 ~~purposes of the calculation of aid for school fiscal year 2017-18 for~~
30 ~~school districts that are members of a learning community, net number of~~
31 ~~option students means the difference of the number of students residing~~

1 ~~in another school district who are option students or open enrollment~~
2 ~~students enrolled in the district minus the number of students residing~~
3 ~~in the district but enrolled in another district as option students or~~
4 ~~open enrollment students.~~

5 (2)(a) For all school fiscal years except school fiscal years
6 2017-18 and 2018-19, net option funding shall be the product of the net
7 number of option students multiplied by the statewide average basic
8 funding per formula student.

9 (b) For school fiscal years 2017-18 and 2018-19, net option funding
10 shall be the product of the net number of option students multiplied by
11 ninety-five and five-tenths percent of the statewide average basic
12 funding per formula student.

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

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

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

20 Sec. 102. Section 79-1017.01, Revised Statutes Cumulative
21 Supplement, 2018, is amended to read:

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

1 ~~section 77-1736.06.~~

2 (1) (2) For state aid calculated for school fiscal years through
3 year 2016-17 and each school fiscal year 2019-20 thereafter, local system
4 formula resources includes other actual receipts determined pursuant to
5 section 79-1018.01, net option funding determined pursuant to section
6 79-1009, allocated income tax funds determined pursuant to section
7 79-1005.01, and community achievement plan aid determined pursuant to
8 section 79-1005, and ~~minimum levy adjustments determined pursuant to~~
9 ~~section 79-1008.02 for school fiscal years prior to school fiscal year~~
10 ~~2017-18,~~ and is reduced by amounts paid by the district in the most
11 recently available complete data year as property tax refunds pursuant to
12 or in the manner prescribed by section 77-1736.06.

13 (2) For state aid calculated for school fiscal year 2020-21 and each
14 school fiscal year thereafter, local system formula resources includes
15 other actual receipts determined pursuant to section 79-1018.01, net
16 option funding determined pursuant to section 79-1009, and allocated
17 income tax funds determined pursuant to section 79-1005.01, and is
18 reduced by amounts paid by the district in the most recently available
19 complete data year as property tax refunds pursuant to or in the manner
20 prescribed by section 77-1736.06.

21 Sec. 103. Section 79-1022, Revised Statutes Cumulative Supplement,
22 2018, is amended to read:

23 79-1022 (1) On or before June 1, 2017, and on or before March 1 of
24 each year thereafter, for each ensuing fiscal year, the department shall
25 determine the amounts to be distributed to each local system and each
26 district for the ensuing school fiscal year pursuant to the Tax Equity
27 and Educational Opportunities Support Act and shall certify the amounts
28 to the Director of Administrative Services, the Auditor of Public
29 Accounts, ~~each learning community for school fiscal years prior to school~~
30 ~~fiscal year 2017-18,~~ and each school district. Except as otherwise
31 provided in this section, the amount to be distributed to each district

1 from the amount certified for a local system shall be proportional based
2 on the formula students attributed to each district in the local system.
3 ~~For school fiscal years prior to school fiscal year 2017-18, the amount~~
4 ~~to be distributed to each district that is a member of a learning~~
5 ~~community from the amount certified for the local system shall be~~
6 ~~proportional based on the formula needs calculated for each district in~~
7 ~~the local system.~~ On or before June 1, 2017, and on or before March 1 of
8 each year thereafter, for each ensuing fiscal year, the department shall
9 report the necessary funding level for the ensuing school fiscal year to
10 the Governor, the Appropriations Committee of the Legislature, and the
11 Education Committee of the Legislature. The report submitted to the
12 committees of the Legislature shall be submitted electronically. Except
13 as otherwise provided in this subsection, certified state aid amounts,
14 including adjustments pursuant to section 79-1065.02, shall be shown as
15 budgeted non-property-tax receipts and deducted prior to calculating the
16 property tax request in the district's general fund budget statement as
17 provided to the Auditor of Public Accounts pursuant to section 79-1024.

18 (2) Except as provided in this subsection, subsection (8) of section
19 79-1016, and sections ~~79-1005~~, 79-1033, and 79-1065.02, the amounts
20 certified pursuant to subsection (1) of this section shall be distributed
21 in ten as nearly as possible equal payments on the last business day of
22 each month beginning in September of each ensuing school fiscal year and
23 ending in June of the following year, except that when a school district
24 is to receive a monthly payment of less than one thousand dollars, such
25 payment shall be one lump-sum payment on the last business day of
26 December during the ensuing school fiscal year.

27 Sec. 104. Section 79-1024, Revised Statutes Cumulative Supplement,
28 2018, is amended to read:

29 79-1024 (1) The department may require each district to submit to
30 the department a duplicate copy of such portions of the district's budget
31 statement as the Commissioner of Education directs. The department may

1 verify any data used to meet the requirements of the Tax Equity and
2 Educational Opportunities Support Act. The Auditor of Public Accounts
3 shall review each district's budget statement for statutory compliance,
4 make necessary changes in the budget documents for districts to
5 effectuate the budget limitations imposed pursuant to sections 79-1023 to
6 79-1030, and notify the Commissioner of Education of any district failing
7 to submit to the auditor the budget documents required pursuant to this
8 subsection by the date established in subsection (1) of section 13-508 or
9 failing to make any corrections of errors in the documents pursuant to
10 section 13-504 or 13-511.

11 (2) If a school district fails to submit to the department or the
12 auditor the budget documents required pursuant to subsection (1) of this
13 section by the date established in subsection (1) of section 13-508 or
14 fails to make any corrections of errors in the documents pursuant to
15 section 13-504 or 13-511, the commissioner, upon notification from the
16 auditor or upon his or her own knowledge that the required budget
17 documents and any required corrections of errors from any school district
18 have not been properly filed in accordance with the Nebraska Budget Act
19 and after notice to the district and an opportunity to be heard, shall
20 direct that any state aid granted pursuant to the Tax Equity and
21 Educational Opportunities Support Act be withheld until such time as the
22 required budget documents or corrections of errors are received by the
23 auditor and the department. In addition, the commissioner shall direct
24 the county treasurer to withhold all school money belonging to the school
25 district until such time as the commissioner notifies the county
26 treasurer of receipt of the required budget documents or corrections of
27 errors. The county treasurer shall withhold such money. ~~For school~~
28 ~~districts that are members of learning communities, a determination of~~
29 ~~school money belonging to the district shall be based on the~~
30 ~~proportionate share of property tax receipts allocated to the school~~
31 ~~district by the learning community coordinating council for school fiscal~~

1 ~~years prior to school fiscal year 2017-18, and the county treasurer shall~~
2 ~~withhold any such school money in the possession of the county treasurer~~
3 ~~from the school district.~~ If the school district does not comply with
4 this section prior to the end of the state's biennium following the
5 biennium which included the fiscal year for which state aid was
6 calculated, the state aid funds shall revert to the General Fund. The
7 amount of any reverted funds shall be included in data provided to the
8 Governor in accordance with section 79-1031. The board of any district
9 failing to submit to the department or the auditor the budget documents
10 required pursuant to this section by the date established in subsection
11 (1) of section 13-508 or failing to make any corrections of errors in the
12 documents pursuant to section 13-504 or 13-511 shall be liable to the
13 school district for all school money which such district may lose by such
14 failing.

15 Sec. 105. Section 79-1033, Revised Statutes Cumulative Supplement,
16 2018, is amended to read:

17 79-1033 (1) Except as otherwise provided in the Tax Equity and
18 Educational Opportunities Support Act, state aid payable pursuant to the
19 act for each school fiscal year shall be based upon data found in
20 applicable reports for the most recently available complete data year.
21 The annual financial reports and the annual statistical summary of all
22 school districts shall be submitted to the Commissioner of Education
23 pursuant to the dates prescribed in section 79-528. If a school district
24 fails to timely submit its reports, the commissioner, after notice to the
25 district and an opportunity to be heard, shall direct that any state aid
26 granted pursuant to the act be withheld until such time as the reports
27 are received by the department. In addition, the commissioner shall
28 direct the county treasurer to withhold all school money belonging to the
29 school district until such time as the commissioner notifies the county
30 treasurer of receipt of such reports. The county treasurer shall withhold
31 such money. ~~For school districts that are members of learning~~

1 ~~communities, a determination of school money belonging to the district~~
2 ~~shall be based on the proportionate share of state aid and property tax~~
3 ~~receipts allocated to the school district by the learning community~~
4 ~~coordinating council for school fiscal years prior to school fiscal year~~
5 ~~2017-18, and the county treasurer shall withhold any such school money in~~
6 ~~the possession of the county treasurer from the school district. If the~~
7 school district does not comply with this section prior to the end of the
8 state's biennium following the biennium which included the school fiscal
9 year for which state aid was calculated, the state aid funds shall revert
10 to the General Fund. The amount of any reverted funds shall be included
11 in data provided to the Governor in accordance with section 79-1031.

12 (2) A district which receives, or has received in the most recently
13 available complete data year or in either of the two school fiscal years
14 preceding the most recently available complete data year, federal funds
15 in excess of twenty-five percent of its general fund budget of
16 expenditures may apply for early payment of state aid paid pursuant to
17 the act when such federal funds are not received in a timely manner. Such
18 application may be made at any time by a district suffering such
19 financial hardship and may be for any amount up to fifty percent of the
20 remaining amount to which the district is entitled during the current
21 school fiscal year. The state board may grant the entire amount applied
22 for or any portion of such amount if the state board finds that a
23 financial hardship exists in the district. The state board shall notify
24 the Director of Administrative Services of the amount of funds to be paid
25 in lump sum and the reduced amount of the monthly payments. The Director
26 of Administrative Services shall, at the time of the next state aid
27 payment made pursuant to section 79-1022, draw a warrant for the lump-sum
28 amount from appropriated funds and forward such warrant to the district.
29 For purposes of this subsection, financial hardship means a situation in
30 which income to a district is exceeded by liabilities to such a degree
31 that if early payment is not received it will be necessary for the

1 district to discontinue vital services or functions.

2 Sec. 106. Section 79-1036, Revised Statutes Cumulative Supplement,
3 2018, is amended to read:

4 79-1036 (1) In making the apportionment under section 79-1035, the
5 Commissioner of Education shall distribute from the school fund for
6 school purposes to ~~(a) for school fiscal years prior to school fiscal~~
7 ~~year 2017-18, any and all learning communities and school districts which~~
8 ~~are not members of a learning community, and (b) for school fiscal year~~
9 ~~2017-18 and each school fiscal year thereafter,~~ all school districts in
10 which there are situated school lands which have not been sold and
11 transferred by deed or saline lands owned by the state, which lands are
12 being used for a public purpose, an amount in lieu of tax money that
13 would be raised by school district levies if such lands were taxable, to
14 be ascertained in accordance with subsection (2) of this section.

15 (2) The county assessor shall certify to the Commissioner of
16 Education the tax levies of each school district and, ~~for levies~~
17 ~~certified prior to January 1, 2017, learning community~~ in which school
18 land or saline land is located and the last appraised value of such
19 school land, which value shall be the same percentage of the appraised
20 value as the percentage of the assessed value is of market value in
21 subsection (2) of section 77-201 for the purpose of applying the
22 applicable tax levies for each school district and, ~~for levies certified~~
23 ~~prior to January 1, 2017, learning community~~ in determining the
24 distribution to the districts of such amounts. The school board of any
25 school district and, ~~for levies certified prior to January 1, 2017, the~~
26 ~~learning community coordinating council of any learning community~~ in
27 which there is located any leased or undeeded school land or saline land
28 subject to this section may appeal to the Board of Educational Lands and
29 Funds for a reappraisal of such school land if such school board or
30 ~~learning community coordinating council~~ deems the land not appraised in
31 proportion to the value of adjoining land of the same or similar value.

1 The Board of Educational Lands and Funds shall proceed to investigate the
2 facts involved in such appeal and, if the contention of the school board
3 ~~or learning community coordinating council~~ is correct, make the proper
4 reappraisal. The value calculation in this subsection shall be used by
5 the Commissioner of Education for making distributions in each school
6 fiscal year.

7 Sec. 107. Section 79-1041, Revised Statutes Cumulative Supplement,
8 2018, is amended to read:

9 79-1041 ~~Each county treasurer of a county with territory in a~~
10 ~~learning community shall distribute any funds collected by such county~~
11 ~~treasurer from the common general fund levy of such learning community to~~
12 ~~each member school district pursuant to section 79-1073 at least once~~
13 ~~each month.~~

14 Each county treasurer shall, upon request of a majority of the
15 members of the school board or board of education in any school district,
16 at least once each month distribute to the district any funds collected
17 by such county treasurer for school purposes.

18 Sec. 108. Section 79-1074, Reissue Revised Statutes of Nebraska, is
19 amended to read:

20 79-1074 ~~(1)~~ The county clerk of any county in which a part of a
21 joint school district ~~or learning community~~ is located shall, on or
22 before the date prescribed in section 13-509, certify the taxable
23 valuation of all taxable property of such part of the joint district ~~or~~
24 ~~learning community~~ to the clerk of the headquarters county in which the
25 schoolhouse or the administrative office of the school district ~~or~~
26 ~~learning community~~ is located.

27 ~~(2)~~ ~~The county clerk of any county in which a part of a joint~~
28 ~~affiliated school system or learning community is located shall, on or~~
29 ~~before the date prescribed in section 13-509, certify the taxable~~
30 ~~valuation of all taxable property of such part of the joint affiliated~~
31 ~~school system or learning community to the clerk of the headquarters~~

1 ~~county in which the schoolhouse or the administrative office of the high~~
2 ~~school district or learning community is located.~~

3 Sec. 109. Section 79-1075, Revised Statutes Cumulative Supplement,
4 2018, is amended to read:

5 79-1075 ~~(1)~~ The county board of the county in which is located the
6 schoolhouse or the administrative office of any joint school district ~~or,~~
7 ~~for years prior to 2017, learning community~~ shall make a levy for the
8 school district ~~or, for years prior to 2017, learning community,~~ as may
9 be necessary, and the county clerk of that headquarters county shall
10 certify the levy, on or before the date prescribed in section 77-1601, to
11 the county clerk of each county in which is situated any portion of the
12 joint school district ~~or learning community~~. This section shall apply to
13 all taxes levied on behalf of school districts, including, but not
14 limited to, taxes authorized by sections 10-304, 10-711, 77-1601,
15 77-3442, 77-3444, 79-747, 79-1084, 79-1085, 79-1086, 79-10,100,
16 79-10,110, 79-10,110.02, 79-10,118, 79-10,120, and 79-10,126.

17 ~~(2) The county board of the county in which is located the~~
18 ~~schoolhouse or the administrative office of the high school district of a~~
19 ~~joint affiliated school system shall make a levy for the joint affiliated~~
20 ~~school system, as may be necessary, and the county clerk of that~~
21 ~~headquarters county shall certify the levy, on or before the date~~
22 ~~prescribed in section 77-1601, to the county clerk of each county in~~
23 ~~which is situated any portion of the joint affiliated school system. This~~
24 ~~section shall apply to all taxes levied on behalf of affiliated school~~
25 ~~systems, including, but not limited to, taxes authorized by sections~~
26 ~~79-10,110 and 79-10,110.02.~~

27 Sec. 110. Section 79-1083, Revised Statutes Cumulative Supplement,
28 2018, is amended to read:

29 79-1083 At the time the budget statement is certified to the levying
30 board, each school board shall deliver to the county clerk of the
31 headquarters county a copy of its adopted budget statement. ~~If the school~~

1 ~~district is a member of a learning community, the school board shall also~~
2 ~~deliver to the learning community coordinating council a copy of the~~
3 ~~adopted budget statement for school fiscal years prior to school fiscal~~
4 ~~year 2017-18.~~

5 Sec. 111. Section 79-1084, Revised Statutes Cumulative Supplement,
6 2018, is amended to read:

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

1 are necessary to provide the amount of revenue from property taxes as
2 indicated by all the data contained in the budget and the certificate
3 prescribed by this section, at the time and in the manner provided in
4 section 77-1601.

5 Sec. 112. Section 79-1086, Revised Statutes Cumulative Supplement,
6 2018, is amended to read:

7 79-1086 ~~(1)~~ The board of education of a Class V school district
8 ~~that is not a member of a learning community~~ shall annually during the
9 month of July estimate the amount of resources likely to be received for
10 school purposes, including the amounts available from fines, licenses,
11 and other sources. Before the county board of equalization makes its levy
12 each year, the board of education shall report to the county clerk the
13 rate of tax deemed necessary to be levied upon the taxable value of all
14 the taxable property of the district subject to taxation during the
15 fiscal year next ensuing for (1) ~~(a)~~ the support of the schools, (2) ~~(b)~~
16 the purchase of school sites, (3) ~~(c)~~ the erection, alteration,
17 equipping, and furnishing of school buildings and additions to school
18 buildings, (4) ~~(d)~~ the payment of interest upon all bonds issued for
19 school purposes, and (5) ~~(e)~~ the creation of a sinking fund for the
20 payment of such indebtedness. The county board of equalization shall levy
21 the rate of tax so reported and demanded by the board of education and
22 collect the tax in the same manner as other taxes are levied and
23 collected.

24 ~~(2) The school board of a Class V school district that is a member~~
25 ~~of a learning community shall annually, on or before September 20 of each~~
26 ~~year prior to 2017, report in writing to the county board and the~~
27 ~~learning community coordinating council the entire revenue raised by~~
28 ~~taxation and all other sources and received by the school board for the~~
29 ~~previous school fiscal year and a budget for the ensuing school fiscal~~
30 ~~year broken down generally as follows: (a) The amount of funds required~~
31 ~~for the support of the schools during the ensuing school fiscal year; (b)~~

1 ~~the amount of funds required for the purchase of school sites; (c) the~~
2 ~~amount of funds required for the erection of school buildings; (d) the~~
3 ~~amount of funds required for the payment of interest upon all bonds~~
4 ~~issued for school purposes; and (e) the amount of funds required for the~~
5 ~~creation of a sinking fund for the payment of such indebtedness. The~~
6 ~~secretary shall publish, within ten days after the filing of such budget,~~
7 ~~a copy of the fund summary pages of the budget one time at the legal rate~~
8 ~~prescribed for the publication of legal notices in a legal newspaper~~
9 ~~published in and of general circulation in such city or village or, if~~
10 ~~none is published in such city or village, in a legal newspaper of~~
11 ~~general circulation in the city or village. The secretary of the school~~
12 ~~board failing or neglecting to comply with this section shall be deemed~~
13 ~~guilty of a Class V misdemeanor and, in the discretion of the court, the~~
14 ~~judgment of conviction may provide for the removal from office of such~~
15 ~~secretary for such failure or neglect.~~

16 Sec. 113. Section 79-10,143, Revised Statutes Cumulative Supplement,
17 2018, is amended to read:

18 79-10,143 A parent or guardian of any student enrolled in, or in the
19 process of enrolling in, any school district in the state may voluntarily
20 provide information on any application submitted pursuant to Nebraska
21 law, rules, and regulations regarding the applicant's potential to meet
22 the qualifications for free or reduced-price lunches solely for
23 determining eligibility pursuant to ~~subsection (4) of section 79-238,~~
24 ~~subsection (2) of section 79-241, section 79-2,131, section 79-2,133,~~
25 ~~subsection (2) of section 79-611, subdivision (1)(c) and subsection (3)~~
26 ~~of section 79-2110,~~ or section 85-2104. Each school district shall
27 process information provided pursuant to this section in the same manner
28 as the district would to determine the qualification status of the
29 student for free or reduced-price meals. Each school district shall
30 comply with the federal Family Educational Rights and Privacy Act of
31 1974, 20 U.S.C. 1232g, as such act and section existed on January 1,

1 2015, and regulations adopted thereunder with regard to any information
2 collected pursuant to this section. If no such information is provided
3 pursuant to this section or on an application for free or reduced-price
4 meals, the student shall be presumed not to qualify for free or reduced-
5 price lunches.

6 Sec. 114. Section 79-1125.01, Reissue Revised Statutes of Nebraska,
7 is amended to read:

8 79-1125.01 Support services means preventive services for those
9 children from birth to age twenty-one years and, if the child's twenty-
10 first birthday occurs during the school year, until the end of that
11 school year, not identified or verified as children with disabilities
12 pursuant to sections 79-1118.01, 79-1138, and 79-1139 but demonstrating a
13 need for specially designed assistance in order to benefit from the
14 school district's general education curriculum and to avoid the need for
15 potentially expensive special education placement and services. Support
16 services include the educational services provided to a child pursuant to
17 subdivision (9)(c) ~~(10)(c)~~ of section 79-215 by an interim-program school
18 or an approved or accredited school maintained by a residential setting
19 if such child has not been identified or verified as a child with a
20 disability pursuant to sections 79-1118.01 and 79-1138 but demonstrates a
21 need for specially designed assistance by residing in a residential
22 setting described in subdivision (9)(a) ~~(10)(a)~~ of section 79-215.

23 Sec. 115. Section 79-1142, Reissue Revised Statutes of Nebraska, is
24 amended to read:

25 79-1142 (1) Level I services refers to services provided to children
26 with disabilities who require an aggregate of not more than three hours
27 per week of special education services and support services and includes
28 all administrative, diagnostic, consultative, and vocational-adjustment
29 counselor services.

30 (2) The total allowable reimbursable cost for support services shall
31 not exceed a percentage, established by the State Board of Education, of

1 the school district's or approved cooperative's total allowable
2 reimbursable cost for all special education programs and support
3 services. The percentage established by the State Board of Education for
4 support services shall not exceed the difference of ten percent minus the
5 percentage of the appropriations for special education approved by the
6 Legislature set aside for reimbursements for support services pursuant to
7 subsection (5) of this section.

8 (3) For special education and support services provided in each
9 school fiscal year, the State Department of Education shall reimburse
10 each school district in the following school fiscal year a pro rata
11 amount determined by the department. The reimbursement percentage shall
12 be the ratio of the difference of the appropriations for special
13 education approved by the Legislature minus the amounts set aside
14 pursuant to subsection (5) of this section divided by the total allowable
15 excess costs for all special education programs and support services.

16 (4) Cooperatives of school districts or educational service units
17 shall also be eligible for reimbursement for cooperative programs
18 pursuant to this section if such cooperatives or educational service
19 units have complied with the reporting and approval requirements of
20 section 79-1155 for cooperative programs which were offered the preceding
21 year. The payments shall be made by the department to the school district
22 of residence, cooperative of school districts, or educational service
23 unit each year in a minimum of seven payments between the fifth and
24 twentieth day of each month beginning in December. Additional payments
25 may be made based upon additional valid claims submitted. The State
26 Treasurer shall, between the fifth and twentieth day of each month,
27 notify the Director of Administrative Services of the amount of funds
28 available in the General Fund for payment purposes. The director shall,
29 upon receiving such certification, draw warrants against funds
30 appropriated.

31 (5) On and after August 1, 2010, residential settings described in

1 subdivision (9)(c) ~~(10)(c)~~ of section 79-215 shall be reimbursed for the
2 educational services, including special education services and support
3 services, provided pursuant to such subdivision on or after August 1,
4 2010, in an amount determined pursuant to the average per pupil cost of
5 the service agency. Reimbursements pursuant to this section shall be made
6 from funds set aside for such purpose within sixty days after receipt of
7 a reimbursement request submitted in the manner required by the
8 department and including any documentation required by the department for
9 educational services that have been provided, except that if there are
10 not any funds available for the remainder of the state fiscal year for
11 such reimbursements, the reimbursement shall occur within thirty days
12 after the beginning of the immediately following state fiscal year. The
13 department may audit any required documentation and subtract any payments
14 made in error from future reimbursements. The State Board of Education
15 shall set aside separate amounts from the appropriations for special
16 education approved by the Legislature for reimbursements pursuant to this
17 subsection for students receiving special education services and for
18 students receiving support services for each state fiscal year. The
19 amounts set aside for each purpose shall be based on estimates of the
20 reimbursements to be requested during the state fiscal year and shall not
21 be less than the total amount of reimbursements requested in the prior
22 state fiscal year plus any unpaid requests from the prior state fiscal
23 year.

24 Sec. 116. Section 79-11,155, Revised Statutes Cumulative Supplement,
25 2018, is amended to read:

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

1 The coordinator shall evaluate and coordinate existing resources for
2 effective programs to increase achievement for such students across the
3 state.

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

13 Sec. 117. Section 79-1210, Reissue Revised Statutes of Nebraska, is
14 amended to read:

15 79-1210 The State Board of Education shall grant or deny any
16 petition to change educational service unit boundaries based upon the
17 following criteria:

18 (1) The educational needs of students in the affected school
19 districts and the affected educational service units;

20 (2) The economic viability of the proposal as it relates to affected
21 established educational service units or affected proposed educational
22 service units;

23 (3) Any community of interest among affected school districts and
24 affected educational service units;

25 (4) Geographic proximity as such would affect the ability of
26 affected educational service units to deliver service in a cost-effective
27 manner;

28 (5) Compliance with the requirements of the Educational Service
29 Units Act; and

30 (6) In the dissolution of one or more entire educational service
31 units, evidence of consent from each educational service unit board and

1 two-thirds of the school boards or boards of education of member school
2 districts representing a majority of students in each affected
3 educational service unit.

4 ~~For petitions that change educational service unit boundaries by~~
5 ~~transferring a learning community member district from one educational~~
6 ~~service unit to another educational service unit with existing territory~~
7 ~~in such learning community, the requirements of subdivisions (1), (2),~~
8 ~~(3), and (4) of this section shall be deemed to have been met if the~~
9 ~~affected educational service units will each have at least two member~~
10 ~~school districts after such transfer.~~

11 Sec. 118. Section 79-1241.03, Revised Statutes Cumulative
12 Supplement, 2018, is amended to read:

13 79-1241.03 (1) Two percent of the funds appropriated for core
14 services and technology infrastructure shall be transferred to the
15 Educational Service Unit Coordinating Council. The remainder of such
16 funds shall be distributed pursuant to subsections (2) through (5) of
17 this section.

18 (2)(a) The distance education and telecommunications allowance for
19 each educational service unit shall equal eighty-five percent of the
20 difference of the costs for telecommunications services, for access to
21 data transmission networks that transmit data to and from the educational
22 service unit, and for the transmission of data on such networks paid by
23 the educational service unit as reported on the annual financial report
24 for the most recently available complete data year minus the receipts
25 from the federal Universal Service Fund pursuant to 47 U.S.C. 254, as
26 such section existed on January 1, 2007, for the educational service unit
27 as reported on the annual financial report for the most recently
28 available complete data year and minus any receipts from school districts
29 or other educational entities for payment of such costs as reported on
30 the annual financial report of the educational service unit.

31 (b) The base allocation of each educational service unit shall equal

1 two and one-half percent of the funds appropriated for distribution
2 pursuant to this section.

3 (c) The satellite office allocation for each educational service
4 unit shall equal one percent of the funds appropriated for distribution
5 pursuant to this section for each office of the educational service unit,
6 except the educational service unit headquarters, up to the maximum
7 number of satellite offices. The maximum number of satellite offices used
8 for the calculation of the satellite office allocation for any
9 educational service unit shall equal the difference of the ratio of the
10 number of square miles within the boundaries of the educational service
11 unit divided by four thousand minus one with the result rounded to the
12 closest whole number.

13 (d) The statewide adjusted valuation shall equal the total adjusted
14 valuation for all member districts of educational service units pursuant
15 to section 79-1016 used for the calculation of state aid for school
16 districts pursuant to the Tax Equity and Educational Opportunities
17 Support Act for the school fiscal year for which the distribution is
18 being calculated pursuant to this section.

19 (e) The adjusted valuation for each educational service unit shall
20 equal the total adjusted valuation of the member school districts
21 pursuant to section 79-1016 used for the calculation of state aid for
22 school districts pursuant to the act for the school fiscal year for which
23 the distribution is being calculated pursuant to this section, ~~except~~
24 ~~that such adjusted valuation for member school districts that are also~~
25 ~~member districts of a learning community shall be reduced by ten percent.~~
26 ~~The adjusted valuation for each learning community shall equal ten~~
27 ~~percent of 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.~~

31 (f) The local effort rate shall equal \$0.0135 per one hundred

1 dollars of adjusted valuation.

2 (g) The statewide student allocation shall equal the difference of
3 the sum of the amount appropriated for distribution pursuant to this
4 section plus the product of the statewide adjusted valuation multiplied
5 by the local effort rate minus the distance education and
6 telecommunications allowance, base allocation, and satellite office
7 allocation for all educational service units and minus any adjustments
8 required by subsection (4) of this section.

9 (h) The sparsity adjustment for each educational service unit ~~and~~
10 ~~learning community~~ shall equal the sum of one plus one-tenth of the ratio
11 of the square miles within the boundaries of the educational service unit
12 divided by the fall membership of the member school districts for the
13 school fiscal year immediately preceding the school fiscal year for which
14 the distribution is being calculated pursuant to this section.

15 (i) The adjusted students for each multidistrict educational service
16 unit shall equal the fall membership for the school fiscal year
17 immediately preceding the school fiscal year for which aid is being
18 calculated of the member school districts ~~that will not be members of a~~
19 ~~learning community and ninety percent of the fall membership for such~~
20 ~~school fiscal year of the member school districts that will be members of~~
21 ~~a learning community pursuant to this section~~ multiplied by the sparsity
22 adjustment for the educational service unit. The adjusted students for
23 each single-district educational service unit shall equal ninety-five
24 percent of the fall membership for the school fiscal year immediately
25 preceding the school fiscal year for which aid is being calculated ~~if the~~
26 ~~member school district will not be a member of a learning community and~~
27 ~~eighty-five percent of the fall membership for such school fiscal year if~~
28 ~~the member school district will be a member of a learning community~~
29 ~~pursuant to this section,~~ multiplied by the sparsity adjustment for the
30 educational service unit. ~~The adjusted students for each learning~~
31 ~~community shall equal ten percent of the fall membership for such school~~

1 ~~fiscal year of the member school districts multiplied by the sparsity~~
2 ~~adjustment for the learning community.~~

3 (j) The per student allocation shall equal the statewide student
4 allocation divided by the total adjusted students for all educational
5 service units ~~and learning communities.~~

6 (k) The student allocation for each educational service unit ~~and~~
7 ~~learning community~~ shall equal the per student allocation multiplied by
8 the adjusted students for the educational service unit ~~or learning~~
9 ~~community.~~

10 (l) The needs for each educational service unit shall equal the sum
11 of the distance education and telecommunications allowance, base
12 allocation, satellite office allocation, and student allocation for the
13 educational service unit ~~and the needs for each learning community shall~~
14 ~~equal the student allocation for the learning community.~~

15 (m) The distribution of core services and technology infrastructure
16 funds for each educational service unit ~~and learning community~~ shall
17 equal the needs for each educational service unit ~~or learning community~~
18 minus the product of the adjusted valuation for the educational service
19 unit ~~or learning community~~ multiplied by the local effort rate.

20 (3) If an educational service unit is the result of a merger or
21 received new member school districts from another educational service
22 unit, the educational service unit shall be considered a new educational
23 service unit for purposes of this section. For each new educational
24 service unit, the needs minus the distance education and
25 telecommunications allowance for such new educational service unit shall,
26 for each of the three fiscal years following the fiscal year in which the
27 merger takes place or the new member school districts are received, equal
28 an amount not less than the needs minus the distance education and
29 telecommunications allowance for the portions of the educational service
30 units transferred to the new educational service unit for the fiscal year
31 immediately preceding the merger or receipt of new member school

1 districts, except that if the total amount available to be distributed
2 pursuant to subsections (2) through (5) of this section for the year for
3 which needs are being calculated is less than the total amount
4 distributed pursuant to such subsections for the fiscal year immediately
5 preceding the merger or receipt of new member school districts, the
6 minimum needs minus the distance education and telecommunications
7 allowance for each educational service unit pursuant to this subsection
8 shall be reduced by a percentage equal to the ratio of such difference
9 divided by the total amount distributed pursuant to subsections (2)
10 through (5) of this section for the fiscal year immediately preceding the
11 merger or receipt of new member school districts. The needs minus the
12 distance education and telecommunications allowance for the portions of
13 educational service units transferred to the new educational service unit
14 for the fiscal year immediately preceding a merger or receipt of new
15 member school districts shall equal the needs minus the distance
16 education and telecommunications allowance calculated for such fiscal
17 year pursuant to subsections (2) through (5) of this section for any
18 educational service unit affected by the merger or the transfer of school
19 districts multiplied by a ratio equal to the valuation that was
20 transferred to the new educational service unit for which the minimum is
21 being calculated divided by the total valuation of the educational
22 service unit transferring the territory.

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

1 minimum amounts calculated for such educational service unit pursuant to
2 subsection (3) of this section.

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

23 (6) For purposes of this section, the determination of whether or
24 not a school district will be a member of an educational service unit ~~or~~
25 ~~a learning community~~ shall be based on the information available May 1
26 for the following school fiscal year.

27 (7) It is the intent of the Legislature that:

28 (a) Funding for core services and technology infrastructure for each
29 educational service unit consist of both amounts received pursuant to
30 this section and an amount greater than or equal to the product of the
31 adjusted valuation for the educational service unit multiplied by the

1 local effort rate; and

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

9 Sec. 119. Section 79-1245, Revised Statutes Cumulative Supplement,
10 2018, is amended to read:

11 79-1245 (1) The Educational Service Unit Coordinating Council is
12 created. The council shall be composed of one administrator from each
13 educational service unit ~~and beginning July 1, 2017, one nonvoting~~
14 ~~administrator from each learning community.~~ The council shall be funded
15 from two percent of the core services and technology infrastructure
16 funding appropriated pursuant to section 79-1241.03, appropriations by
17 the Legislature for distance education, and fees established for services
18 provided to educational entities.

19 (2) The council is a political subdivision and a public body
20 corporate and politic of this state, exercising public powers separate
21 from the participating educational service units. The council shall have
22 the duties, privileges, immunities, rights, liabilities, and disabilities
23 of a political subdivision and a public body corporate and politic but
24 shall not have taxing power.

25 (3) The council shall have power (a) to sue and be sued, (b) to have
26 a seal and alter the same at will or to dispense with the necessity
27 thereof, (c) to make and execute contracts and other instruments, (d) to
28 receive, hold, and use money and real and personal property, (e) to hire
29 and compensate employees, including certificated employees, (f) to act as
30 a fiscal agent for statewide initiatives being implemented by employees
31 of one or more educational service units, and (g) from time to time, to

1 make, amend, and repeal bylaws, rules, and regulations not inconsistent
2 with sections 79-1245 to 79-1249. Such power shall only be used as
3 necessary or convenient to carry out and effectuate the powers and
4 purposes of the council.

5 Sec. 120. Section 79-2404, Reissue Revised Statutes of Nebraska, is
6 amended to read:

7 79-2404 If the school board of any school district or the board of
8 any educational service unit fails to timely file a copy of an approved
9 contract, or contract amendment, for superintendent services or
10 educational service unit administrator services with the State Department
11 of Education as required in section 79-2403, the Commissioner of
12 Education, after notice to the board president and either the
13 superintendent or educational service unit administrator and an
14 opportunity to be heard, shall direct that any state aid granted pursuant
15 to the Tax Equity and Educational Opportunities Support Act to the school
16 district or core services and technology infrastructure funds granted
17 pursuant to section 79-1241.03 to the educational service unit be
18 withheld until such time as the contract or amendment is received by the
19 department. In addition, the commissioner shall direct each county
20 treasurer of a county with territory in the school district or
21 educational service unit to withhold all money belonging to the school
22 district or educational service unit until such time as the commissioner
23 notifies such county treasurer of receipt of such contract or amendment.
24 Each such county treasurer shall withhold such money. ~~For school~~
25 ~~districts that are members of learning communities, a determination of~~
26 ~~school money belonging to the school district shall be based on the~~
27 ~~proportionate share of property tax receipts allocated to the school~~
28 ~~district pursuant to section 79-1073 in addition to the other property~~
29 ~~tax receipts belonging to the school district.~~ If the board does not
30 comply with this section prior to October 1 following the school fiscal
31 year for which the state aid or core services and technology

1 infrastructure funding was calculated, the funds shall revert to the
2 General Fund. The amount of any reverted funds shall be included in data
3 provided to the Governor, the Appropriations Committee of the
4 Legislature, and the Education Committee of the Legislature in accordance
5 with section 79-1031.

6 Sec. 121. Section 79-2605, Revised Statutes Cumulative Supplement,
7 2018, is amended to read:

8 79-2605 (1) Each school district shall provide a supplemental
9 reading intervention program for the purpose of ensuring that students
10 can read at or above grade level at the end of third grade. School
11 districts may work collaboratively with a reading specialist at the State
12 Department of Education, with educational service units, ~~with learning~~
13 ~~communities,~~ or through interlocal agreements to develop and provide such
14 supplemental reading intervention programs. Each supplemental reading
15 intervention program shall:

16 (a) Be provided to any student identified as having a reading
17 deficiency;

18 (b) Be implemented during regular school hours in addition to
19 regularly scheduled reading instruction unless otherwise agreed to by a
20 parent or guardian; and

21 (c) Make available a summer reading program each summer for any
22 student who has been enrolled in grade one or higher and is identified as
23 continuing to have a reading deficiency at the conclusion of the school
24 year preceding such summer reading program. Such summer reading program
25 may be held in conjunction with existing summer programs in the school
26 district or in a community reading program not affiliated with the school
27 district or may be offered online.

28 (2) The supplemental reading intervention program may also include:

29 (a) Reading intervention techniques that are based on scientific
30 research and best practices;

31 (b) Diagnostic assessments to frequently monitor student progress

1 throughout the school year and adjust instruction accordingly;

2 (c) Intensive intervention using strategies selected from the
3 following list to match the weaknesses identified in the diagnostic
4 assessment:

5 (i) Development in phonemic awareness, phonics, fluency, vocabulary,
6 and reading comprehension;

7 (ii) Explicit and systematic instruction with detailed explanations,
8 extensive opportunities for guided practice, and opportunities for error
9 corrections and feedback; or

10 (iii) Daily targeted individual or small-group reading intervention
11 based on student needs as determined by diagnostic assessment data
12 subject to planned extracurricular school activities;

13 (d) Strategies and resources to assist with reading skills at home,
14 including parent-training workshops and suggestions for parent-guided
15 home reading; or

16 (e) Access to before-school or after-school supplemental reading
17 intervention with a teacher or tutor who has specialized training in
18 reading intervention.

19 Sec. 122. Section 81-1203, Reissue Revised Statutes of Nebraska, is
20 amended to read:

21 81-1203 (1) A business applying for a job training grant, other than
22 a grant provided under subsection (3) of section 81-1201.21, shall submit
23 a business plan to the Department of Economic Development which includes,
24 but is not limited to:

25 (a) The number of jobs to be created or the number of existing
26 positions that will be retrained;

27 (b) The nature of the business and the type of jobs to be created or
28 positions to be retrained;

29 (c) The estimated wage levels of the jobs to be created or positions
30 to be retrained; and

31 (d) A program schedule for the job training project.

1 (2) A business applying for a job training grant, other than a grant
2 provided under subsection (3) of section 81-1201.21, must demonstrate
3 that the job training project to be conducted pursuant to the grant meets
4 the following criteria:

5 (a) The wage level of the jobs created will meet the local
6 prevailing average;

7 (b) The jobs created will diversify the local economy;

8 (c) The goods or services produced by the company will be export-
9 oriented;

10 (d) Seventy-five percent of the jobs created will be full-time jobs;
11 and

12 (e) The new jobs will be created within three calendar years.

13 (3) A business applying for a training grant under subsection (3) of
14 section 81-1201.21 may partner with a postsecondary educational
15 institution; a private, nonprofit organization holding a certificate of
16 exemption under section 501(c)(3) of the Internal Revenue Code; or a
17 ~~learning community coordinating council~~ or school district that has
18 partnered with a private, nonprofit organization. The application shall
19 specify the role of the partnering entity in identifying and training
20 potential job applicants for the applicant business.

21 (4) A business applying for a training grant under subsection (3) of
22 section 81-1201.21 may apply as a business that has established a program
23 under which residents of rural areas or high-poverty areas are trained
24 for employment or potential employment by documenting:

25 (a) That the business has established a program designed to fill a
26 minimum of four positions in rural areas and a minimum of eight positions
27 in high-poverty areas for such business;

28 (b) A program schedule for the training project;

29 (c) The nature of the business and the number of positions available
30 or to be created;

31 (d) That the wage level of the positions available or to be created

1 will meet the local prevailing average;

2 (e) The value of the positions available or to be created in
3 diversifying the local economy;

4 (f) That a minimum of seventy-five percent of the positions
5 available or to be created will be full-time jobs;

6 (g) That the business will accept funding on behalf of trainees and
7 will provide a match of a minimum of twenty-five percent of the value of
8 the grant, either monetarily or through in-kind services, as part of the
9 training for each trainee;

10 (h) That any new position created will be done within three calendar
11 years;

12 (i) That the number of trainees will not exceed one hundred twenty-
13 five percent of the number of positions that will be available at the
14 time of application; and

15 (j) That the goods or services produced by the business are
16 generally exportable in nature resulting in additional money to the
17 community or the state and the positions available or to be created are
18 not local retail positions.

19 (5) Each business participating in a training grant under subsection
20 (3) of section 81-1201.21 shall be subject to an audit by the Department
21 of Economic Development and shall annually report or provide to the
22 department the following information:

23 (a) The percentage of trainees who have successfully completed the
24 training;

25 (b) The percentage of trainees that such business hired;

26 (c) An itemized description of such business's match including
27 expenditures per trainee; and

28 (d) A copy of the training curriculum.

29 (6) For purposes of subsections (3) through (5) of this section:

30 (a) High-poverty area means an area consisting of one or more
31 contiguous census tracts, as determined by the most recent federal

1 decennial census, which contain a percentage of persons with incomes
2 below the poverty line of greater than thirty percent, and all census
3 tracts contiguous to such tract or tracts, as determined by the most
4 recent federal decennial census; and

5 (b) Private, nonprofit organization means an organization whose
6 purpose is providing basic job and life skills training to individuals in
7 need of such training in rural or high-poverty areas.

8 Sec. 126. Sections 118 and 127 of this act become operative on
9 January 1, 2020. Sections 27, 28, 33, 47, 50, 51, 52, 53, 54, 55, 58, 59,
10 60, 63, 64, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81,
11 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 100, 101, 103, 104, 105,
12 107, 108, 111, 113, 114, 116, 117, 119, 120, 121, 122, 128, and 130 of
13 this act become operative on July 1, 2020. The other sections of this act
14 become operative on their effective date.

15 Sec. 127. Original section 79-1241.03, Revised Statutes Cumulative
16 Supplement, 2018, is repealed.

17 Sec. 128. Original sections 11-119, 13-903, 13-2202, 32-567,
18 32-604, 32-1203, 68-907, 77-1601.02, 77-1614, 77-1624, 77-1702,
19 77-1704.01, 77-1708, 77-2201, 77-2202, 77-2704.15, 77-3442, 79-201,
20 79-2,104, 79-433, 79-458.01, 79-467, 79-468, 79-527, 79-549, 79-760.05,
21 79-777, 79-1074, 79-1125.01, 79-1210, 79-2404, and 81-1203, Reissue
22 Revised Statutes of Nebraska, and sections 9-812, 13-503, 79-102, 79-235,
23 79-235.01, 79-237, 79-238, 79-241, 79-407, 79-408, 79-413, 79-415,
24 79-458, 79-473, 79-528, 79-611, 79-703, 79-760.02, 79-760.03, 79-850,
25 79-979, 79-1008.01, 79-1009, 79-1022, 79-1024, 79-1033, 79-1041, 79-1084,
26 79-10,143, 79-11,155, 79-1245, and 79-2605, Revised Statutes Cumulative
27 Supplement, 2018, are repealed.

28 Sec. 129. Original sections 32-546.01, 70-651.04, 77-1736.06,
29 77-1772, 79-1007.05, and 79-1142, Reissue Revised Statutes of Nebraska,
30 and sections 13-508, 13-511, 79-215, 79-233, 79-1003, 79-1005,
31 79-1005.01, 79-1007.11, 79-1007.18, 79-1017.01, 79-1036, 79-1075,

1 79-1083, and 79-1086, Revised Statutes Cumulative Supplement, 2018, are
2 repealed.

3 Sec. 130. The following sections are outright repealed: Sections
4 79-4,117, 79-4,118, 79-4,120, 79-4,127, 79-769, 79-1007.04, 79-1007.17,
5 79-1007.23, 79-1007.25, 79-2101, 79-2103, 79-2110.01, 79-2112, 79-2114,
6 79-2116, 79-2118, 79-2119, and 79-2121, Reissue Revised Statutes of
7 Nebraska, and sections 79-4,119, 79-4,121, 79-4,122, 79-4,123, 79-4,124,
8 79-4,125, 79-4,126, 79-4,128, 79-4,129, 79-1008.02, 79-1073,
9 79-10,126.01, 79-10,145, 79-2104, 79-2104.01, 79-2104.02, 79-2104.03,
10 79-2104.04, 79-2110, 79-2111, 79-2113, 79-2115, 79-2117, 79-2122, and
11 79-2123, Revised Statutes Cumulative Supplement, 2018.

12 Sec. 131. The following sections are outright repealed: Sections
13 32-555.01, 79-2102, and 79-2102.01, Reissue Revised Statutes of Nebraska,
14 and section 79-2120, Revised Statutes Cumulative Supplement, 2018.

15 2. On page 20, line 7, strike "learning community," and show as
16 stricken.

17 3. On page 27, line 21, after the second semicolon insert "and"; and
18 strike beginning with the semicolon in line 22 through "council" in line
19 24 and show as stricken.

20 4. On page 28, line 2, after the first comma insert "and" and strike
21 ", and learning communities" and show as stricken.

22 5. On page 36, line 9, reinstate the stricken matter; strike lines
23 10 and 11 and show the old matter as stricken; and in line 12 strike
24 "(16)" and insert "(15)".

25 6. On page 37, strike beginning with "but" in line 12 through the
26 second comma in line 14 and show as stricken; in line 18 strike "learning
27 community," and show as stricken; and in lines 25 and 26 strike "learning
28 community coordinating council," and show as stricken.

29 7. On page 43, line 25, strike "subdivisions (2)(b) and (2)(e)",
30 show as stricken, and insert "subdivision (2)(c)"; and strike lines 29
31 through 31 and show as stricken.

1 8. On page 44, strike lines 1 through 11 and show as stricken; in
2 line 12 strike "(d)", show as stricken, insert "(b)", strike
3 "subdivisions (2)(a) and (2)(c)", show as stricken, and insert
4 "subdivision (2)(a)"; and in lines 20 and 28 strike "(2)(d)", show as
5 stricken, and insert "(2)(b)".

6 9. On page 45, lines 4 and 11, strike "(2)(d)", show as stricken,
7 and insert "(2)(b)"; in line 19 strike "(e)", show as stricken, and
8 insert "(c)"; in line 20 strike "or (2)(c)" and show as stricken; and
9 strike lines 27 through 31 and show as stricken.

10 10. On page 46, strike lines 1 through 10 and show as stricken.

11 11. Renumber the original sections and correct internal references
12 accordingly.